

THIS CIRCULAR 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.

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MBSB BERHAD
(Registration No. 197001000172 (9417-K))
(Incorporated in Malaysia)

CIRCULAR TO OUR SHAREHOLDERS IN RELATION TO THE

PROPOSED ESTABLISHMENT OF A LONG-TERM INCENTIVE PLAN COMPRISING OF A PROPOSED EMPLOYEE SHARE OPTION SCHEME AND A PROPOSED SHARE GRANT SCHEME WITH AN AGGREGATE MAXIMUM OF 10% OF THE TOTAL NUMBER OF THE ISSUED SHARE CAPITAL OF MBSB BERHAD (“COMPANY”) (EXCLUDING TREASURY SHARES, IF ANY) AT ANY ONE TIME DURING THE DURATION OF THE LONG-TERM INCENTIVE PLAN, FOR THE ELIGIBLE PERSONS OF THE COMPANY AND ITS SUBSIDIARIES WHICH ARE NOT DORMANT, WHO FULFIL THE ELIGIBILITY CRITERIA AS SET OUT IN THE BY-LAWS OF THE LONG-TERM INCENTIVE PLAN

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING (“EGM”)

Principal Adviser



MBSB INVESTMENT BANK BERHAD

(formerly known as MIDF Amanah Investment Bank Berhad)
Registration No. 197501002077 (23878-X)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

Scheme Adviser



TOWERS WATSON (MALAYSIA) SDN BHD

Registration No. 197601000807 (26746-T)

Our Notice of EGM together with the Form of Proxy are enclosed in this Circular. The details of our forthcoming EGM are as follows:

Date and time of our forthcoming EGM	:	Tuesday, 20 January 2026 at 10:00 a.m.
Meeting Venue of our forthcoming EGM (Physical Attendance)	:	Auditorium, Level 4, Menara MBSB Bank, PJ Sentral, Lot 12, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya, Selangor
Online Platform of our forthcoming EGM (Virtual Attendance)	:	The Portal at https://srmv.vistra.com with Remote Participation and Voting (“RPV”) facilities
Last date and time for lodging the Form of Proxy	:	Sunday, 18 January 2026 at 10:00 a.m.

If you are unable to attend and vote at the forthcoming EGM, you may appoint a proxy or proxies to attend and vote on your behalf. The instrument appointing a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company's Share Registrar not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof:

(i) In hard copy form

The Proxy Form must be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, deposit the Proxy Form in the drop-in boxes located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

(ii) By electronic form

The Proxy Form can be lodged electronically with the Company's Share Registrar via Vistra Share Registry and IPO (MY) portal (“The Portal”) at <https://srmv.vistra.com>. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of Proxy Form via The Portal.

DEFINITIONS

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

Act	: Companies Act 2016, as amended from time to time
Board	: Our Board of Directors
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
By-Laws	: The terms and conditions of the Proposed LTIP as amended, modified and/or supplemented from time to time, the draft of which is set out in Appendix I of this Circular
Circular	: This circular to our shareholders dated 24 December 2025
Constitution	: Constitution of our Company
Director	: A natural person who holds a directorship in our Company as at the LPD and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Services Act 2007
EGM	: Extraordinary General Meeting
Eligible Persons	: The GCEO and the Selected Employees, who fulfil the eligibility criteria and have been selected to participate in the Proposed LTIP by the LTIP Committee at its sole and absolute discretion subject to the terms and conditions set out in the By-Laws. Subject to the relevant approval of the shareholders of the Company being obtained, "Eligible Persons" shall also include the eligible executive directors within our Group.
EPS	: Earnings per Share
FYE	: Financial year ended, as the case maybe
GCEO	: Chief Executive Officer of the Group
Grant	: An award in the form of the Proposed ESOS and/or the Proposed SGS of such number of Shares in writing to the Eligible Persons
Grantees	: An Eligible Person who has duly accepted an Offer
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
LPD	: 30 November 2025, being the latest practicable date prior to the printing of this Circular
LTIP Committee	: A committee comprising such non-executive Directors as appointed by our Board to implement and administer the Proposed LTIP in accordance with the By-Laws and its terms of reference

DEFINITIONS (CONT'D)

Major Shareholder	: Means a person who has an interest or interests in one or more voting shares in our Company and the number or aggregate number of those shares, is (a) 10% or more of the total number of voting shares in our Company; or (b) 5% or more of the total number of voting shares in our Company where such person is the largest shareholder of our Company
	For the purpose of this definition, "interest" shall have the meaning of "interest in shares" given in Section 8 of the Act
"MBSB Group" or "Group"	: Collectively, our Company and our subsidiaries
"MBSB IB" or "Principal Adviser"	: MBSB Investment Bank Berhad (formerly known as MIDF Amanah Investment Bank Berhad) (Registration No. 197501002077 (23878-X)), being our Principal Adviser for the Proposed LTIP
"MBSB" or "Company"	: MBSB Berhad (Registration No. 197001000172 (9417-K))
"MBSB Shares" or "Shares"	: Ordinary shares in our Company
NA	: Net assets
Offer	: An offer made in writing by our Company to a Selected Employee to participate in the Proposed LTIP
Person Connected	: Person connected as defined in the Paragraph 1.01 of the Listing Requirements
Proposed ESOS	: Proposed employee share option scheme
Proposed LTIP	: Proposed establishment of a long-term incentive plan which comprises of a Proposed ESOS and Proposed SGS, where the aggregate number of MBSB Shares made available under the Proposed LTIP shall be an aggregate maximum of 10% of the total number of issued Shares (excluding treasury shares, if any) at any one time during the duration of the Proposed LTIP
Proposed SGS	: Proposed share grant scheme
Record of Depositors	: A record of securities holders established and maintained by Bursa Depository under the Rules of Bursa Depository
RM	: Malaysian Ringgit
Rules of Bursa Depository	: Rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act 1991
Selected Employees	: Eligible employees of MBSB and its subsidiaries which are not dormant, who hold senior management positions as well as other key employees who have contributed towards the growth and performance of our Group as determined by the LTIP Committee. For clarity purposes, "Selected Employees" shall exclude executive directors within our Group.
VWAP	: Volume-weighted average price

PRESENTATION OF INFORMATION

References to “**our Company**”, “**we**”, “**us**” and “**our**” in this Circular are to our Company. References to “**our Group**” in this Circular are to our Company and our subsidiaries. All references to “**you**” and “**your**” in this Circular are to our shareholders.

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

Any reference in this Circular to the provisions of any enactment, statute, rules, regulation or rules of stock exchange or guideline shall (where the context admits) be construed as a reference to the provisions of such enactment, statute, rules, regulation or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments to the enactment, statute, rules, regulation, rules of stock exchange or guideline for the time being in force.

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

Certain amounts and percentage figures included herein have been subject to rounding adjustments. Any discrepancy between the figures shown herein and figures published by our Company, such as in the quarterly results or annual reports of our Company (as the case may be), is due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board after due inquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. Hence, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that our Company's and/or our Group's plans and objectives will be achieved.

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EXECUTIVE SUMMARY

This Executive Summary highlights only the salient information of the Proposed LTIP in this Circular. You are advised to read and carefully consider the contents of this Circular and the appendices contained herein in its entirety for further details and not to rely solely on this Executive Summary in forming a decision on the Proposed LTIP before voting on the resolutions pertaining to the Proposed LTIP to be tabled at our forthcoming EGM.

Salient information	Description	Reference to the Circular
Summary of the Proposed LTIP	: The Proposed LTIP entails the proposed establishment of a long-term incentive plan which comprises of a proposed employee share option scheme and a proposed share grant scheme with an aggregate maximum of 10% of the total number of issued MBSB Shares (excluding treasury shares, if any) at any one time during the duration of the Proposed LTIP made available to our Eligible Persons.	Section 2
Duration of the Proposed LTIP	: 10 years commencing from the effective date of implementation of the Proposed LTIP.	Section 2.1.4
Rationale and justification for the Proposed LTIP	: The Proposed LTIP is intended to: <ul style="list-style-type: none"> (i) recognise the contribution of the Eligible Persons whose services are valued and considered vital to the operations and continued growth of our Group; (ii) attract and reward the Eligible Persons by allowing them to participate in our Group's profitability and eventually realise any capital gains arising from appreciation in the value of Shares; (iii) motivate the Eligible Persons towards improved performance through greater productivity and loyalty; (iv) inculcate a greater sense of belonging and dedication as the Eligible Persons are given the opportunity to participate directly in the equity of our Company; and (v) possibly retain the Eligible Persons, hence ensuring that the loss of key personnel is kept to a minimum level. 	Section 5
Approvals required	: The Proposed LTIP is subject to the following approvals being obtained: <ul style="list-style-type: none"> (i) Bursa Securities for the listing of and quotation for the new Shares to be issued pursuant to the Proposed LTIP on the Main Market of Bursa Securities, which was obtained on 4 December 2025; (ii) your approval for the Proposed LTIP at our forthcoming EGM; and (iii) any other relevant authorisation or approval, if required. 	Section 8
Interests of Directors, Major Shareholders, chief executive and/or Persons Connected with them	: Mohamed Rafe bin Mohamed Haneef, being our GCEO, is eligible to be awarded with Grants under the Proposed LTIP and he is therefore deemed interested in the Proposed LTIP to the extent of his allocation. None of the Directors, major shareholders of our Company and/or persons connected with them has any interest, whether direct and/or indirect, in the Proposed LTIP.	Section 10
Recommendation by our Directors	: Our Board, having considered all aspects of the Proposed LTIP, including but not limited to the rationale for the Proposed LTIP and the effects of the Proposed LTIP, is of the opinion that the Proposed LTIP is in the best interests of our Company. Accordingly, our Board recommends that you vote in favour of the resolutions for the Proposed LTIP to be tabled at an EGM to be convened.	Section 12



Registered Office:

Level 25, Menara MBSB Bank, PJ Sentral
Lot 12, Persiaran Barat, Seksyen 52
46200 Petaling Jaya, Selangor

24 December 2025

Board of Directors:

Dato' Wan Kamaruzaman bin Wan Ahmad (Chairman/Non-Independent Non-Executive Director)
Puan Lynette Yeow Su-Yin (Senior Independent Non-Executive Director)
Encik Sazaliza bin Zainuddin (Non-Independent Executive Director)
Datuk (Dr.) Yasmin binti Mahmood (Non-Independent Non-Executive Director)
Encik Mohamad Abdul Halim bin Ahmad (Independent Non-Executive Director)
Encik Ho Kwong Hoong (Independent Non-Executive Director)
Datuk (Dr.) Normala @ Noraizah binti A.Manaf (Independent Non-Executive Director)
Puan Maheswari A/P G Kanniah (Independent Non-Executive Director)

To: Our Shareholders

Dear Sir/ Madam,

PROPOSED LTIP

1. INTRODUCTION

On 29 October 2025, MBSB IB, on behalf of our Board, announced that our Company proposes to establish and implement a long-term incentive plan which comprises of a Proposed ESOS and a Proposed SGS.

On 4 December 2025, MBSB IB had, on behalf of our Board, announced that Bursa Securities had vide its letter dated 4 December 2025 approved the listing of and quotation for the new Shares representing up to 10% of the total number of issued Shares to be issued pursuant to the Proposed LTIP, and subject to the conditions as disclosed in Section 8 of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED LTIP AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSED LTIP WHICH WILL BE TABLED AT OUR FORTHCOMING EGM. OUR NOTICE OF EGM AND FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED LTIP TO BE TABLED AT OUR FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED LTIP

The Proposed LTIP entails the proposed establishment and implementation of a long-term incentive plan which comprises of a Proposed ESOS and a Proposed SGS. The number of new MBSB Shares to be made available under the Proposed LTIP shall be an aggregate maximum of 10% of the total number of issued MBSB Shares (excluding treasury shares, if any) at any one time during the duration of the Proposed LTIP.

The Proposed LTIP will be administered in accordance with the By-Laws in the sole and absolute discretion of a LTIP Committee. The LTIP Committee is to be appointed and authorised by our Board and the terms of reference of the LTIP Committee will also be formulated and approved by our Board. The members of the LTIP Committee shall comprise of such number of our Company's non-executive Directors to be identified from time to time.

The Proposed LTIP is intended to attract, retain, motivate and reward the Eligible Persons through the award of MBSB Shares. Details of the eligibility criteria of the Eligible Persons are set out in Section 2.1.3 of this Circular.

In implementing the Proposed LTIP, the LTIP Committee may, at any time within the duration of the Proposed LTIP, award Grants to the Grantees. Upon acceptance of the Grants, the LTIP Committee shall at its sole and absolute discretion determine that the vesting of any MBSB Shares under the Proposed LTIP be satisfied by any of the following methods taking into consideration factors such as the prevailing market price of MBSB Shares, the dilutive effects on our Company's share capital, funding and tax considerations, and cash requirements of our Group, the potential cost arising from the different modes of settlement, and any applicable laws, regulatory requirements and/or administrative constraints:

- (i) for the Proposed ESOS, allotment and issuance of new MBSB Shares to the Grantees;
- (ii) for the Proposed SGS:
 - (a) transfer of existing MBSB Shares acquired from the Main Market of Bursa Securities to the Grantees;
 - (b) transfer of MBSB Shares held in treasury (if any) to the Grantees;
- (iii) cash payment in lieu of (i) or (ii) above;
- (iv) any other methods as may be permitted by the Act and the Listing Requirement as amended from time to time and any re-enactment thereof, if any; or
- (v) combination of any of the above.

The Shares will be vested to the Eligible Persons over the tenure of the Proposed LTIP, subject to the Eligible Persons fulfilling certain vesting conditions as determined by the LTIP Committee. For the avoidance of doubt, the Proposed LTIP will not involve an award of any Grant to any non-executive director within our Group.

Currently, the Proposed LTIP does not involve an award of any Grant to an executive director within our Group. Pursuant to the Proposed ESOS under the Proposed LTIP and in accordance with Paragraph 6.06 of the Listing Requirements, our Company will seek your approval prior to issuing and allotting any new Shares to the eligible executive directors within our Group, if any, and/or the Eligible Persons who are Persons Connected with such executive directors, if any.

2.1 Salient terms of the Proposed LTIP

2.1.1 Maximum number of MBSB Shares available under the Proposed LTIP

The number of Shares which may be made available under the Proposed LTIP shall be an aggregate maximum of 10% of the total number of issued Shares (excluding treasury shares, if any) at any one time during the duration of the Proposed LTIP (“**Maximum Shares**”).

If the total number of Shares made available under the Proposed LTIP exceeds the Maximum Shares at any one time as a result of our Company purchasing or cancelling our own Shares in accordance with the provisions of the Act, and/or undertaking any other corporate proposals resulting in the reduction of our total number of issued Shares, all entitlements to the Shares arising from the Grants made before the said variation of the total number of issued Shares shall remain valid and exercisable in accordance with the provisions of the Proposed LTIP, and the Shares comprised in such Grants may be vested as if that purchase, reduction and/or corporate proposal had not occurred. However, no further Grants shall be made by our Company unless the total number of Shares and/or treasury shares (if any) made available under the Proposed LTIP falls below the Maximum Shares.

In the case of a transfer of existing Shares and/or treasury shares to the Grantees under the Proposed SGS, the LTIP Committee will use all reasonable efforts to ensure that our Company has sufficient existing Shares and/or treasury shares, as the case may be, to satisfy the Grants made during the duration of the Proposed LTIP.

2.1.2 Basis of allocation and maximum allowable allotment

The allocation of Shares to be made available for the Grants under the Proposed LTIP shall be determined by the LTIP Committee.

Subject always to the By-Laws and applicable laws, the maximum number of Shares that may be awarded to an Eligible Person under the Proposed LTIP at any time in each Grant shall be determined at the sole and absolute discretion of the LTIP Committee after taking into consideration, among others, our Group’s and such Eligible Person’s performance, and/or such other allocation criteria (e.g. environmental, social and governance (ESG)-linked performance targets) as the LTIP Committee may deem relevant, and subject to the following conditions:

- (i) the total number of new Shares to be made available under the Proposed LTIP shall not exceed the Maximum Shares;
- (ii) not more than 10% of the new Shares issued under the Proposed ESOS in the Proposed LTIP shall be made available to any Eligible Person who, either singly or collectively through persons connected (as defined in the Listing Requirements) with the said Eligible Person, holds 20% or more of the total number of issued Shares (excluding treasury shares, if any) (“**Maximum Limit For Eligible Person**”);
- (iii) the maximum aggregate allocation of Shares to be offered under the Proposed ESOS to Eligible Persons who are executive directors within our Group and who hold senior management positions, shall be up to 100% of the Maximum Shares and subject to the Maximum Limit for Eligible Person; and

(iv) the Eligible Persons shall not participate in any deliberation or discussion and/or shall abstain from making/voting on any resolution on their own respective allocations and/or allocations to persons connected with them under the Proposed LTIP.

Subject to the Maximum Limit For Eligible Person, the LTIP Committee shall, at its sole and absolute discretion, be entitled to award one or more Grants to any Eligible Person during the duration of the Proposed LTIP and determine the maximum number of Grants that will be made available to an Eligible Person under the Proposed LTIP, in the manner provided in the By-Laws. For the avoidance of doubt, the LTIP Committee may, at its sole and absolute discretion, determine whether the Grants will be in a single grant or staggered over the duration of the Proposed LTIP and/or whether the Shares under the Grants will be subject to any vesting period and if so, to determine the vesting conditions including whether such vesting conditions are subject to performance targets. The decision of the LTIP Committee shall be final and binding.

2.1.3 Eligibility

Subject to the sole and absolute discretion of the LTIP Committee, only Eligible Persons who fulfil the following conditions shall be eligible to participate in the Proposed LTIP:

- (i) in respect of our GCEO:
 - (a) is at least 18 years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (b) has been appointed as our GCEO for such period as may be determined by the LTIP Committee prior to and up to the date of the Grant and has not served a notice of resignation or received a notice of termination;
 - (c) specific allocation of new Shares granted by our Company to our GCEO in his capacity as a chief executive of our Company under the Proposed ESOS has been approved at the EGM of our Company; and
 - (d) fulfils any other eligibility criteria which have been determined by the LTIP Committee at its sole and absolute discretion from time to time,
- (ii) in respect of a Selected Employee:
 - (a) is at least 18 years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (b) is confirmed in writing as a full time employee of our Company or any company in our Group for such period as may be determined by the LTIP Committee or has entered into a fixed-term employment contract and/or whose service has been confirmed prior to and up to the date of the Grant and has not served a notice of resignation or received a notice of termination; and
 - (c) fulfils any other eligibility criteria which have been determined by the LTIP Committee at its sole and absolute discretion from time to time.

The conditions to be fulfilled by the executive directors within our Group in order to be eligible to participate in the Proposed LTIP shall be determined by the LTIP Committee in its sole and absolute discretion.

Notwithstanding the above, the LTIP Committee may, in its sole and absolute discretion but subject to compliance with the Listing Requirements, other applicable laws, the requirements of Bursa Securities and any other relevant authorities (as the case may be), determine any other eligibility criteria and/or vary or revise and/or waive any of the conditions of eligibility as set out in the By-Laws at any time and from time to time. The decision of the LTIP Committee shall be final and binding.

2.1.4 Duration and termination of the Proposed LTIP

The Proposed LTIP shall be in force for a duration of 10 years commencing from the effective date of implementation of the Proposed LTIP (“**Effective Date**”). The Effective Date shall be a date determined by our Board on the recommendation of the LTIP Committee upon obtaining all approvals required from the regulatory authorities and the full compliance by our Company with all relevant provisions of the Listing Requirements in relation to the Proposed LTIP, as more particularly set out in the By-Laws.

The Proposed LTIP may be terminated by our Board, on the recommendation of the LTIP Committee, at any time before the date of expiry of the Proposed LTIP in accordance with the terms of the By-Laws provided that an announcement is released to Bursa Securities on the following:

- (i) the effective date of termination;
- (ii) the number of employee share options exercised or the Shares vested pursuant to the Grants; and
- (iii) the reasons and justification for termination.

Upon the expiry or termination of the Proposed LTIP, any Shares which have yet to be vested shall be deemed cancelled and be null and void, and forthwith cease to be capable of vesting.

2.1.5 Basis of determining the Pricing

Subject to any adjustments made under the By-Laws and pursuant to the Listing Requirements, the issue price of the new Shares in respect of any Grant awarded under the Proposed ESOS (“**Pricing**”), shall be determined by the LTIP Committee at its discretion, at a premium over the 5 market days VWAP of the Shares immediately preceding the date of award of the relevant Grant, with a discount of not more than 10%. The Pricing as determined in the manner set out above shall be conclusive and binding on the Grantee.

2.2 Ranking of the Shares

The Eligible Persons who have accepted the award of the Grants will not be entitled to any voting rights, dividends, rights, allotments and/or be entitled to participate in any other forms of distribution and/or offer of further securities in our Company until and unless the Shares are issued and/or transferred to the Grantees.

Upon the vesting of the Shares to the Grantees:

- (i) the new Shares to be allotted and issued to the Grantees pursuant to the Proposed ESOS will be subject to the provisions of the Constitution of our Company and such amendments thereafter, if any. The new Shares shall upon allotment and issuance, rank *pari-passu* in all respects with the then existing Shares in issue as at the date of allotment of the new Shares, save and except that such new Shares shall not be entitled to any voting rights, dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid, for which the record date precedes the date of allotment of the new Shares pursuant to the Proposed LTIP; and
- (ii) the existing Shares and/or treasury shares to be transferred to the Grantees pursuant to the Proposed LTIP shall be transferred together with all voting rights, dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid, for which the record date is on or after the transfer date.

For the purposes of the above, “**record date**” shall refer to the date as at the close of business on which shareholders must be registered as members of our Company to participate in any voting, dividend, right, allotment and/or any other form of distribution.

2.3 Retention Period

The Shares to be transferred or allotted and issued to the Grantees will not be subject to any retention period or restriction on transfer unless otherwise determined by our Board on the recommendation of the LTIP Committee and set out in the relevant Grants. However, the Grantees are encouraged to hold the Shares as a long-term investment and not for any speculative purposes and/or realisation of any immediate gain.

2.4 Listing of and quotation for the new Shares to be issued pursuant to the Proposed LTIP

The new Shares to be issued pursuant to the Proposed ESOS under the Proposed LTIP will be listed and quoted on the Main Market of Bursa Securities.

2.5 Trust arrangement

For purposes of facilitating the implementation and administration of the Proposed LTIP, our Company may, if deemed appropriate by the LTIP Committee, establish a trust (“**Trust**”) to be administered by a trustee (“**Trustee**”). The Trustee shall administer the Trust based on the terms and conditions of a trust deed to be executed between our Company and the Trustee (“**Trust Deed**”). The Trust Deed will provide that:

- (i) the Trustee will be entitled to accept funding and/or assistance, financial or otherwise from our Company, our Company’s subsidiaries and/or third parties, to enable the Trustee to subscribe for new Shares, acquire existing Shares and/or receive treasury shares for the purpose of the Proposed LTIP and to pay expenses in relation to the administration of the Trust; and
- (ii) the LTIP Committee shall have the sole and absolute discretion to instruct the Trustee to subscribe for new Shares, acquire existing Shares, and/or receive treasury shares for the purpose of the Proposed LTIP at any time and from time to time and also to revoke or suspend any such instruction that has earlier been given to the Trustee.

3. UTILISATION OF PROCEEDS

Under the Proposed ESOS, our Company will be receiving gross proceeds from the Eligible Persons for their subscription of new Shares. Our Company intends to use such proceeds for working capital requirements of our Group. The working capital will be used to fund our Group's general banking, financing and investing activities such as investing in government securities, treasury bills, money market and non-money market instruments, which are in the ordinary course of our Group's banking operations as well as for purposes of defraying expenses incurred in the course of day-to-day business operations (including payment of interest for our Group's borrowings). Our Company expects to utilise the proceeds for the said working capital requirements within a period of 12 months, as and when the proceeds are received throughout the tenure of the Proposed LTIP.

Under the Proposed SGS, our Company will not be receiving any proceeds from the Grantees.

Pending utilisation of proceeds raised as and when the Shares are vested, the proceeds may be placed in deposits with licensed financial institutions or short-term money market instruments. The profit derived from the deposits with financial institutions or any gains arising from the short-term money market instrument will be similarly used for the working capital requirements of our Group.

The estimated expenses in relation to the Proposed LTIP (excluding MFRS 2 Cost as stated in Section 7.4 of this Circular) are approximately RM2.50 million, which will be paid by our Company through internally generated funds. The breakdown of the estimated expenses for the Proposed LTIP is illustrated below:

Estimated expenses	RM'000
Professional fees ⁽¹⁾	1,500
Fees payable to Bursa Securities	80
Printing, despatch, advertising and expenses in relation to convening the EGM	750
Miscellaneous expenses and contingencies	170
Total	2,500

Note:

(1) Comprising fees payable to Principal Adviser, solicitors and consultants appointed by our Company pursuant to the Proposed LTIP.

4. OTHER EQUITY FUND RAISING EXERCISE IN THE PAST 12 MONTHS

Our Company has not undertaken any equity fund raising exercise in the past 12 months prior to the date of this Circular.

5. RATIONALE AND JUSTIFICATION FOR THE PROPOSED LTIP

The implementation of the Proposed LTIP primarily serves to align the interests of the Eligible Persons to the corporate goals of our Group. The Proposed LTIP will provide the Eligible Persons with an opportunity to have equity participation in our Company and help achieve the objectives as set out below:

(i) to recognise the contribution of the Eligible Persons whose services are valued and considered vital to the operations and continued growth of our Group;

- (ii) to attract and reward the Eligible Persons by allowing them to participate in our Group's profitability and eventually realise any capital gains arising from appreciation in the value of Shares;
- (iii) to motivate the Eligible Persons towards improved performance through greater productivity and loyalty;
- (iv) to inculcate a greater sense of belonging and dedication as the Eligible Persons are given the opportunity to participate directly in the equity of our Company; and
- (v) to possibly retain the Eligible Persons, hence ensuring that the loss of key personnel is kept to a minimum level.

6. INDUSTRY OVERVIEW AND OUTLOOK, AND PROSPECTS OF THE GROUP

(i) Overview and outlook of the Malaysian economy

In 2024, the Malaysian economy registered a higher growth of 5.1% (2023: 3.6%). The growth performance was driven by improvements in domestic demand, underpinned by both private and public sector expenditure. Household spending continued to increase, reflecting improvements in employment and income levels. Investment activity recorded a strong expansion of 12% (2023: 5.5%), the highest annual growth since 2012 (19.2%). The investment performance reflected further progress of multi-year projects in both the private and public sectors, and the implementation of catalytic initiatives under the national master plans. On the external front, net exports rebounded to 2.2% (2023: -16.2%), driven by recovery in exports amid the global technology upcycle and improved external demand.

Private consumption expanded by 5.1% in 2024 (2023: 4.7%) driven by improvement in employment and income levels. Overall employment grew by 2.6% while aggregate nominal wages expanded by 2.9% and 5% in the private and public sectors, respectively. Expenditure on necessities increased mainly due to higher spending on transport, food and beverages, and housing and utilities. Meanwhile, higher discretionary spending was mainly driven by restaurant and hotel expenditures. Policy measures also continued to support households, including larger cash transfers, special incentive payment for civil servants and pensioners, and the introduction of Employees Provident Fund Board's Akaun Fleksibel withdrawal facility.

Private investment registered a strong growth of 12.3% in 2024 (2023: 4.6%). This marked the highest growth rate in the past decade. Growth was driven by the steady implementation of projects, amid the high investment approvals in 2023.

Public investment expanded by 11.1% in 2024 (2023: 8.6%). The higher growth was supported by both fixed asset spending by the Government and expansion by public corporations, primarily in transportation, oil and gas, and utilities. Continued progress in large infrastructure projects such as the East Coast Rail Link, Pan Borneo Highway Sabah, Johor Bahru–Singapore Rapid Transit System Link and flood mitigation projects also supported growth.

Public consumption expanded by 4.7% (2023: 3.3%), supported by higher spending on emoluments as well as supplies and services. In particular, emolument spending was driven by annual salary increment and new hirings in the public sector.

All economic sectors recorded higher growth during the year. Strong performance was recorded by the services and manufacturing sectors, which benefited from improved domestic and external demand conditions.

The services sector grew by 5.4% (2023: 5.1%), driven mainly by business-related subsectors. The real estate and business services subsector expanded in line with the robust growth in construction activities. The transport and storage subsector was driven by the recovery in trade activities and continued air passenger traffic growth. The rebound in the finance and insurance subsector was supported particularly by higher net interest income amid stronger financing activity. In addition, government services provided further boost to growth driven by annual salary increment and new hirings in the public sector. Meanwhile, consumer-related subsectors remained supported by improved labour market conditions. It was also supported by policy measures such as larger cash transfers and the introduction of Employees Provident Fund Board's Akaun Fleksibel withdrawal facility as well as increased tourist arrivals.

The manufacturing sector expanded by 4.2% (2023: 0.7%). Growth was driven by a recovery in export-oriented clusters following stronger global trade and technology upcycle. The electrical and electronics industry gained from the global technology upcycle, as reflected by increased semiconductor sales. This was attributed to stronger demand in end-segments like consumer electronics, computing and data centres. The primary-related cluster was lifted by higher refined petroleum output, on account of improved production at a key refinery in Johor. Consumer-related growth was underpinned by higher crude palm oil production and a continued increase in motor vehicle output. Meanwhile, the construction-related cluster was supported by further progress in ongoing infrastructure activities.

Growth in the agriculture sector was higher at 3.1% (2023: 0.7%), mainly attributable to increased oil palm production. Higher oil palm yields were supported by increased productivity from better trained workers and higher fertiliser application during 2022-2023 period, following normalisation in fertiliser prices. This more than offset the lower production from Sabah due to dry weather and the spread of Sooty Mould disease in the first quarter.

The mining sector expanded by 0.9% (2023: 0.5%). Overall growth during the year was driven mainly by increased gas production in existing fields and operationalisation of new fields such as Jerun and Kasawari in Sarawak. However, oil and gas production declined in the second and third quarters of the year amid a power outage at the Bintulu liquefied natural gas complex and maintenance activity in several key oil and gas fields, which have since been resolved.

The construction sector registered a double-digit growth of 17.5% (2023: 6.1%). This was the highest growth in a decade, consistent with the strong rise in investment activity. Growth was driven mainly by special trade and civil engineering subsectors. Strong expansion in the special trade subsector was supported by early- and end-stage works such as site preparation and electrical installation for civil engineering and industrial projects. The civil engineering subsector continued to be driven by further progress of multi-year infrastructure projects, particularly in the transportation segment. The residential subsector recorded higher activity, benefiting from new housing projects. This was in line with stronger housing demand as income and employment conditions improved. Additionally, the non-residential subsector rebounded strongly driven by industrial and commercial projects.

Headline inflation moderated in 2024, averaging at 1.8%, below its historical average (2011–19 average: 2.2%). In the environment of contained cost conditions and stable demand, inflation was moderate across most Consumer Price Index (“CPI”) segments. Of note, the moderation could be seen most prominently in food and non-alcoholic beverages (2024: 2%; 2023: 4.8%) and restaurants and hotels (2024: 3.1%; 2023: 5.6%). Nevertheless, the broad moderation was partly offset by pockets of price pressures from policy adjustments, including higher water tariff rates, an increase in the service tax rate for selected CPI segments and the implementation of targeted subsidies for diesel. However, the overall impact of these policy adjustments was manageable given effective mitigating efforts. In the case of targeted diesel subsidies, the continued provision of subsidised diesel to major commercial users, such as those in the logistics sector, under the Subsidised Diesel Control System (SKDS) 2.0, limited the cost impact on businesses. This was coupled with strict enforcement by authorities aimed at curbing profiteering activities by businesses. These actions helped contain spillovers to broader CPI prices. Additionally, non-commercial diesel users in Sabah and Sarawak were exempted from the subsidy rationalisation and continued to pay the lower price of RM2.15/litre. All these measures resulted in a modest direct impact on headline inflation.

In 2024, labour market conditions remained supportive of growth. Employment grew by 2.6% (+423,800 persons; 2023: 2.8%, +439,200 persons) while the labour force participation rate continued to rise to 70.5% in 2024 (2023: 70%). At 3.2%, the unemployment rate has declined to below pre-pandemic levels (2023: 3.4%; 2019: 3.3%).

The Malaysian economy is projected to grow between 4.5%–5.5% in 2025: In the face of external uncertainties, domestic demand is expected to remain Malaysia’s anchor of growth amid steady private sector expenditure. Higher household spending will be driven by employment and faster income growth as well as policy support. Meanwhile, investment activity will continue to see a robust expansion as the investment upcycle is expected to extend into 2025. The domestic growth outlook is subject to several downside risks, stemming primarily from the considerable uncertainties from the external front. More restrictive trade policies, subsequent retaliatory measures, and the potential escalation of geopolitical conflicts could disrupt global trade, and in turn affect Malaysia’s trade performance. On the domestic front, downside risks could emanate from further disruptions in commodity production which could weigh on growth. Notwithstanding, higher external demand, greater positive spillovers from the global technology upcycle, more robust tourism activity and quicker implementation of new and existing investment projects could lift domestic growth. The materialisation of these downside or upside risks will land the economy closer to the lower or the upper end of the forecast range, respectively.

(Source: Bank Negara Malaysia, *Economic and Monetary Review 2024*)

(ii) Overview and outlook of the financial sector

As at end-July 2025, the Common Equity Tier 1 Capital (CET1), Tier 1 Capital and Total Capital ratios stayed well above the minimum regulatory levels at 14.9%, 15.3% and 18.4%, respectively. Supported by a strong aggregate Liquidity Coverage Ratio (LCR) of 158.4%, the banking sector remained resilient to absorb unexpected losses and short-term liquidity shocks. The banking sector also maintained prudent liquidity management in balancing credit growth with deposits, as reflected in the loan-to-deposit ratio (LDR), which held steady at 87.2%.

Asset quality of the banking sector remained strong, with the gross impairment loans ratio staying steady at 1.4% as at end-July 2025. The low impairment ratios reflect sustained repayment capacity, coupled with minimal enrolment in new restructuring and rescheduling programmes among financially constrained borrowers. The loan loss coverage ratio (including regulatory reserves) stood at 128.9%, indicating the banks’ prudent provisioning practices against potential defaults.

Overall lending activities in the banking sector remained healthy despite cautious sentiment in the global market during the first seven months of 2025. As at-end July 2025, total outstanding loans of the banking sector expanded by 5.4% to RM2,306.4 billion, supported by sustained growth in household (5.8%) and business (4.7%) segments. For the period from January to July 2025 compared to the same period in 2024, loan applications and approvals were also robust, increasing by 5.3% and 4.3%, respectively. Nevertheless, loan disbursements and repayments contracted by 7.2% and 8.8%, respectively. Household segment, primarily for the purchase of residential properties, constitutes the largest component of banking system loans. As at end-July 2025, loan applications grew marginally by 0.6% to RM491.6 billion. Meanwhile, loan approvals and disbursements primarily for residential properties and passenger cars, recorded a slight decline of 0.6% to RM217 billion and 0.2% to RM293.9 billion, respectively. In contrast, loan repayment activities registered a marginal increase of 0.8% to RM287.8 billion.

Moving forward, household loan demand will be supported by positive job and wage growth as well as continued income-support measures, including the full implementation of the Public Service Remuneration System (SSPA). The Government has strengthened measures to minimise credit risks, including those arising from digital banks and Buy Now Pay Later (BNPL) schemes. Financial service providers are required to comply with strict affordability and suitability standards, while policy guidelines prohibit predatory lending and mandate prudent debt-service ratio limits to ensure repayment capacity is not overstretched. Furthermore, BNPL will be regulated under the Consumer Credit Act once it comes into force, and non-bank BNPL providers will be subject to authorization and conduct regulations by the Consumer Credit Commission once established. These measures, complemented by financial literacy initiatives, underscore the commitment of the Government in ensuring household debt remains sustainable while safeguarding financial stability and supporting economic resilience.

The finance and insurance subsector is anticipated to expand by 2.8% with positive growth in all segments, supported by sustained economic activities. Under the finance segment, loan growth is anticipated to remain moderate amid steady credit demand from household sector. Looking ahead, continued strong collaboration between the Government, financial regulators and industry players will be pivotal in advancing digitalisation, financial inclusion and sustainable financing to support long-term development.

(Source: Ministry of Finance, Economic Outlook 2026)

(iii) Prospects of our Group

The global economy is expected to grow at a slower pace in 2025. International Monetary Fund, in its latest World Economic Outlook (October 2025) report, projects global growth at 3.2% for 2025, slightly better than earlier forecasts of 2.8% but still reflecting moderate momentum as trade and investment remain affected by U.S. tariffs. Although some trade tensions have eased through new agreements, the overall environment is still uncertain.

Against this backdrop, Ministry of Finance projects the Malaysian economy to expand between 4.0% and 4.8% in 2025, supported by resilient domestic demand and continued strength in the services and manufacturing sectors.

In view of moderating global growth prospects and downside risks, Bank Negara Malaysia reduced the Overnight Policy Rate by 25 basis points to 2.75% in July 2025. This is a pre-emptive measure to preserve Malaysia's economic growth.

In navigating this environment, MBSB Group remains cautiously optimistic in executing its three-year transformation roadmap, FLIGHT26. The Group continues to strengthen operational efficiency through cost of funds optimisation, while expanding financing growth and non-funded income streams via digital innovation and SME solutions.

(Source: *Unaudited quarterly financial results of our Group for the financial period ended 30 September 2025*)

7. EFFECTS OF THE PROPOSED LTIP

7.1 Issued share capital

The Proposed LTIP will not have any immediate effect on the existing issued share capital of our Company until such time new Shares are issued pursuant to the Proposed ESOS. The issued share capital of our Company may increase progressively depending on the number of new Shares to be issued pursuant to the vesting of the new Shares under the Grants pursuant to the Proposed ESOS. However, the transfer of any existing Shares or treasury shares to the Eligible Persons pursuant to the Proposed SGS will have no effect on the issued share capital of our Company.

For illustrative purposes, assuming that the Maximum Shares available under the Proposed LTIP are fully granted and vested, and such Maximum Shares are fully satisfied by the issuance of new Shares, the pro forma effects of the Proposed LTIP on the share capital of our Company are as follows:

	No. of Shares	RM
Issued share capital of our Company as at the LPD	8,222,312,432	7,970,427,112
New Shares to be issued pursuant to the Proposed LTIP	822,231,243	⁽¹⁾ 586,908,661
Enlarged issued share capital	9,044,543,675	8,557,335,773

Note:

(1) For illustrative purposes only, the indicative issue price is based on the 5-day VWAP of Shares up to and including the LPD of RM0.7138 per Share.

The actual number of new Shares to be allotted and issued may be less than as illustrated above in view of, among others, the following:

- (i) the method of settlement of the Grants may be satisfied through: (a) the transfer of existing Shares and/or treasury shares purchased from the Main Market of Bursa Securities under the Proposed SGS; and/or (b) payment of a certain cash value for the Grants;
- (ii) the Grantees would need to meet the vesting conditions to be entitled to Shares comprised in their Grants under the Proposed LTIP; and/or
- (iii) the unvested Shares comprised in any Grant will cease to be capable of vesting upon expiration of the Proposed LTIP.

7.2 Substantial shareholders' shareholdings

The Proposed LTIP will not have an immediate effect on the shareholdings of the substantial shareholders of our Company until such time as and when the new Shares are allotted and issued pursuant to the vesting of Shares comprised in the Grants under the Proposed ESOS. Any potential effect on the shareholdings of the substantial shareholders of our Company in the future would also depend on the mode of settlement of the Grants, the number of Grants awarded and the number of new Shares to be issued under the Proposed ESOS at any one time.

For illustrative purposes, assuming that the Maximum Shares available under the Proposed LTIP are fully granted and vested, and such Maximum Shares are fully satisfied by the issuance of new Shares, the pro forma effects of the Proposed LTIP on the substantial shareholders' shareholdings of our Company are as follows:

	As at the LPD				After the Proposed LTIP			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Employees Provident Fund Board	4,648,819,390	56.54	-	-	4,648,819,390	51.40	-	-
Permodalan Nasional Berhad	1,050,828,629	12.78	-	-	1,050,828,629	11.62	-	-
Yayasan Pelaburan Bumiputra	-	-	(³)1,050,828,629	12.78	-	-	(³)1,050,828,629	11.62

Notes:

- (1) Based on the issued share capital of our Company as at the LPD of 8,222,312,432 Shares.
- (2) Based on the enlarged issued share capital of our Company of 9,044,543,675 Shares with the assumption that the Maximum Shares available under the Proposed LTIP are fully granted and vested, and such Maximum Shares are fully satisfied by the issuance of 822,231,243 new Shares on an immediate basis.
- (3) Yayasan Pelaburan Bumiputra is deemed to have indirect interest through its shareholding of 100% less one (1) share of Permodalan Nasional Berhad by virtue of Section 8(4) of the Act.

The dilution effect to the substantial shareholders' shareholdings illustrated above will be reduced to the extent the vesting of Shares comprised in the Grants under the Proposed LTIP are satisfied through: (a) the transfer of existing Shares and/or treasury shares purchased from the Main Market of Bursa Securities under the Proposed SGS; and/or (b) payment of a certain cash value for the Grants. Additionally, the dilution effect to the substantial shareholders' shareholdings may also be lesser if some or all of the unvested Shares comprised in any Grant cease to be capable of vesting.

7.3 NA per Share and gearing

The Proposed LTIP will not have an immediate effect on the consolidated NA per Share until such time as and when the new Shares are allotted and issued pursuant to the vesting of Shares comprised in the Grants under the Proposed ESOS. Any potential dilution on the consolidated NA per Share will depend on the number of new Shares to be issued. Under the Proposed ESOS, there will be no effect on the consolidated NA and gearing ratio of our Group.

In the case of settlement by transfer of existing Shares held in treasury or purchased from the Main Market of Bursa Securities under the Proposed SGS, and/or cash, the Proposed LTIP will reduce the consolidated NA, consolidated NA per Share and increase the gearing ratio of our Group accordingly.

7.4 Earnings and EPS

Under the Malaysian Financial Reporting Standard 2 on Share-based Payment as issued by the Malaysian Accounting Standards Board (“**MFRS 2**”), the potential cost of awarding the Grants under the Proposed LTIP (“**MFRS 2 Cost**”), after taking into account, among others, the price of Shares, will need to be measured at fair value on the date of the Grants and recognised as an expense in the consolidated statement of comprehensive income over the vesting period in which the employees render their services.

The extent of the effect of the Proposed LTIP on our Group’s earnings and EPS cannot be determined at this juncture as it depends on various factors that affect the fair value of the Shares as at the respective dates of the Grants, and the mode of settlement of the Grants (as set out in Section 2 of this Circular).

The Board on the recommendation of the LTIP Committee will take into consideration the potential impact of the MFRS 2 Cost on our Group’s earnings and EPS when considering award of the Grants to the Eligible Persons.

7.5 Convertible securities

As at the LPD, our Company does not have any convertible securities.

8. APPROVALS REQUIRED

The Proposed LTIP is subject to the following approvals being obtained:

(i) Bursa Securities for the listing of and quotation for the new Shares to be issued pursuant to the Proposed LTIP on the Main Market of Bursa Securities, which was obtained vide Bursa Securities’ letter dated 4 December 2025. The approval from Bursa Securities for the Proposed LTIP is subject to, among others, the following conditions:

No.	Conditions	Status of compliance
1.	MBSB and MBSB IB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed LTIP.	Noted
2.	MBSB IB is required to submit a confirmation to Bursa Securities of full compliance of the Proposed LTIP pursuant to Paragraph 6.43(1) of the Listing Requirements and stating the effective date of implementation together with a certified true copy of the resolution passed by the shareholders in the EGM approving the Proposed LTIP.	To be complied
3.	MBSB to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the Proposed LTIP as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied
(ii)	your approval for the Proposed LTIP at our forthcoming EGM; and	
(iii)	any other relevant authorisation or approval, if required.	

The Proposed LTIP is not conditional or inter-conditional upon any other proposals undertaken or to be undertaken by our Company.

9. EXPECTED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposed LTIP is expected to become effective by the first half of 2026.

10. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

Mohamed Rafe bin Mohamed Haneef, being our GCEO as at the LPD, is eligible to be awarded with Grants under the Proposed LTIP and he is therefore deemed interested in the Proposed LTIP to the extent of his allocation, as well as allocations to persons connected to him, if any, under the Proposed LTIP. As such, Mohamed Rafe bin Mohamed Haneef:

- (i) will abstain from voting on his direct and/or indirect shareholdings in our Company (if any), on the resolution in relation to his proposed allocation under the Proposed LTIP, as well as allocations to persons connected to him, if any; and
- (ii) will ensure that persons connected with him, if any, will abstain from voting on their direct and indirect shareholdings in our Company, if any, on the resolution in relation to his proposed allocation and any proposed allocations to the persons connected to him, under the Proposed LTIP.

Save as disclosed above, none of the Directors, major shareholders of our Company and/or persons connected with them has any interest, whether direct and/or indirect, in the Proposed LTIP.

11. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed LTIP which is subject matter of this Circular, there is no other outstanding proposal which has been announced but not yet completed as at the date of this Circular.

12. RECOMMENDATION BY OUR DIRECTORS

Our Board, having considered all aspects of the Proposed LTIP, including but not limited to the rationale for the Proposed LTIP and the effects of the Proposed LTIP, is of the opinion that the Proposed LTIP is in the best interests of our Company. Accordingly, our Board recommends that you vote in favour of the resolutions for the Proposed LTIP to be tabled at our forthcoming EGM.

13. EGM

Our forthcoming EGM, the notice of which is enclosed in this Circular, will be held on 20 January 2026 at 10:00 a.m. or at any adjournment thereof at Auditorium, Level 4, Menara MBSB Bank, PJ Sentral, Lot 12, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya, Selangor, Malaysia (“**Meeting Venue**”) and virtually by way of electronic means via Vistra Share Registry and IPO (MY) portal (“**The Portal**”) at <https://srmy.vistra.com>, for the purpose of considering and if thought fit, passing with or without any modifications, the ordinary resolutions as set out in our Notice of EGM therein to give effect to the Proposed LTIP. Our Notice of EGM and the Form of Proxy are enclosed in this Circular.

If you are unable to attend and vote at the forthcoming EGM, you may appoint a proxy or proxies to attend and vote on your behalf. The instrument appointing a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company's Share Registrar not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof:

- (i) In hard copy form

The Proxy Form must be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, deposit the Proxy Form in the drop-in boxes located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

- (ii) By electronic form

The Proxy Form can be lodged electronically with the Company's Share Registrar via Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmy.vistra.com>. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of Proxy Form via The Portal.

The completion and lodging of the Form of Proxy will not preclude you from attending, participating, speaking and voting at the EGM should you subsequently decide to do so.

14. FURTHER INFORMATION

You are requested to refer to the attached appendices of this Circular for further information.

Yours faithfully
For and on behalf of
MBSB BERHAD

DATO' WAN KAMARUZAMAN BIN WAN AHMAD
Chairman / Non-Independent Non-Executive Director

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APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP

1. DEFINITIONS AND INTERPRETATIONS

1.1 In these By-laws, except where the context otherwise requires, the following expression in these By-laws shall have the following meanings:

Act	: The Companies Act 2016, as amended from time to time and all regulations made thereunder and any re-enactment thereof
Adviser	: A corporate finance adviser that may act as a Principal Adviser under Chapter 7A of the Securities Commission Malaysia's Licensing Handbook, as amended from time to time
Authorised Nominee	: A person who is authorised to act as a nominee as specified in accordance with the schedule prescribed under Part VIII of the Rules of the Bursa Depository
Award Letter	: A letter of offer to Eligible Person(s) issued pursuant to an offer made by the LTIP Committee under Part B or Part C of these By-laws, as the case may be
Board	: Board of Directors of the Company, as may be constituted from time to time
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (Company No.: 198701006854 (165570-W))
Bursa Securities	: Bursa Malaysia Securities Berhad (Company No.: 200301033577 (635998-W))
By-laws	: The rules, terms and conditions of the Scheme as set out herein, and shall include any amendments or variations made thereto from time to time
CDS	: Central Depository System
CDS Account	: a Central Depository System account established by Bursa Depository for a Depositor for the recording of deposits of securities and dealings in such securities by the Depositors
Central Depositories Act	: The Securities Industry (Central Depositories) Act 1991 including any amendments made thereto from time to time
Company	: MBSB Berhad (Registration No.: 197001000172 (9417-K))
Constitution	: The constitution of the Company, including any amendments thereto that may be made from time to time
Date of Expiry	: The last day of the duration of this Scheme pursuant to By-law 6.1 hereof
Depositor	: A holder of a CDS Account
Director(s)	: A natural person who holds a directorship within the Group and shall have the meaning assigned to it in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Services Act 2007
Effective Date	: The date on which the Scheme comes into force as provided in By-law 6.1

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

Eligible Person(s)	: The GCEO and the Selected Employee(s) who meets the criteria of eligibility for participation in the Scheme as set out in By-law 7
Entitlement Date	: The date as at the close of business on which the names of the shareholders of the Company must appear on the Company's record of depositors in order to participate in any dividends, rights, allotments or other distributions
ESOS	: The Employees Share Option Scheme, a component of the Scheme as more particularly set out in Part B of these By-laws
ESOS Award(s)	: The grant of an award of such number of ESOS Option(s) to Eligible Person(s) to subscribe for the Shares at the Exercise Price in the manner and subject to the terms and conditions provided in these By-laws
ESOS Award Date(s)	: The date of which an ESOS Award(s) is awarded to any Eligible Person(s) pursuant to an Award Letter
ESOS Option or Option	: The right of an ESOS Participant to subscribe for the Share(s) under the ESOS pursuant to the contract constituted by the selected Eligible Person's acceptance of an ESOS Award in the manner indicated in By-law 34
ESOS Participant(s)	: Eligible Person(s) who has accepted an award of ESOS Options in accordance with the terms of the Scheme
Exercise Period	: The specific period or periods within the LTIP Period during which ESOS Options may be exercised by the LTIP Participants, as determined by the LTIP Committee subject to By-law 6
Exercise Price	: The price at which the ESOS Participant shall be entitled to subscribe for every new Share by exercising his/her ESOS Option(s) as determined in accordance with By-law 36
GCEO	: The chief executive officer of the Group
Government	: The Government of Malaysia
Group	: The Company and its Subsidiaries which are not dormant
LTIP Award Date(s)	: The SGS Award Date(s) and/or the ESOS Award Date(s), as the case may be
LTIP Award(s)	: The SGS Award(s) and/or the ESOS Award(s) as the case may be
LTIP Committee	: A committee comprising such non-executive Directors as appointed by the Board pursuant to By-law 16 to administer the Scheme in accordance with these By-laws
LTIP or Scheme	: The Company's Long Term Incentive Plan comprising the ESOS and SGS on the terms as set out in these By-laws
LTIP Participant	: Means ESOS Participant(s) and/or SGS Participant(s), as the case may be

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

LTIP Period	: A period commencing from the date the offer for the ESOS Options or a SGS Award as the case may be, is accepted in accordance with these By-laws and expiring on the last day of the period referred to in By-law 6 or such other date which the LTIP Committee may in its discretion decide, subject always to early termination in accordance with the provisions of By-law 6, provided that no LTIP Period shall extend beyond the period referred to in By-law 6
Main Market Listing Requirements	: The Main Market Listing Requirements of Bursa Securities
Market Day(s)	: Any day(s) on which Bursa Securities is open for trading in securities
Maximum Allowable Allocation	: The maximum number of the Shares that can be offered to an Eligible Person as stipulated in By-law 8.1(b)
Person connected	: Has the meaning given to “person connected” adopted in Paragraph 1.01 of the Main Market Listing Requirements
Registered Office	: The registered address of the Company being Level 25, Menara MBSB Bank, PJ Sentral, Lot 12, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya, Selangor, Malaysia
RM and sen	: Ringgit Malaysia and sen, respectively
Rules of Bursa Depository	: The Rules of Bursa Depository as issued pursuant to the Central Depositories Act
Selected Employee(s)	: The employee(s) who hold senior management positions as well as other key employees who have contributed towards the growth and performance of the Group as determined by the LTIP Committee
SGS	: The Share Grant Scheme, a component of the Scheme as set out in Part C of these By-laws
SGS Award	: The grant of an award of such number of the Shares to Eligible Person(s) at no payment by the Eligible Person(s)
SGS Award Date(s)	: The date on which an SGS Award(s) is awarded to any Eligible Person(s) by the LTIP Committee pursuant to an Award Letter which shall not be later than the last day of the LTIP Period during which the SGS Grant can be accepted by the Eligible Person(s)
SGS Participant(s)	: Eligible Person(s) who has accepted SGS Award(s) in accordance with these By-laws
Shares	: Ordinary shares in the Company

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

Subsidiaries	: Subsidiary companies within the meaning of Section 4 of the Act which are not dormant and shall include subsidiary companies of the Company which are existing as at the Effective Date and those which are incorporated or acquired at any time during the duration of the Scheme but exclude subsidiary companies which have been divested in the manner provided for in By-law 24.2 and which is determined by the LTIP Committee at its absolute discretion from time to time to be a corporation participating under the Scheme in accordance with By-law 7
Trust	: The trust intended to be established to facilitate the implementation and administration of the Scheme
Trust Deed	: The trust deed(s) constituting the Trust to be executed between the Trustee and the Company (if applicable)
Trustee	: The trustee(s) to be appointed by the Company to administer the Trust
Vesting Conditions	: The conditions, which are determined and imposed by LTIP Committee, required to be fulfilled by an Eligible Person to the satisfaction of the LTIP Committee before the ESOS Option(s) and/or SGS Award(s) is capable of being vested onto the Eligible Person pursuant to the terms of these By-laws

1.2 In these By-laws:

- (a) any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision and any listing requirements, policies and/or guidelines of Bursa Securities and/or any other relevant regulatory authority (whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the reasonable commercial practice of persons to whom such requirements, policies and/or guidelines are addressed to by Bursa Securities and/or any other relevant regulatory authority);
- (b) any reference to a statutory provision shall include that provision as from time to time modified or re-enacted whether before or after the date of these By-laws so far as such modification or re-enactment applies or is capable of applying to any LTIP Award offered and accepted prior to the expiry of the Scheme and shall include also any past statutory provision (as from time to time modified or re-enacted) which such provision has directly or indirectly been replaced;
- (c) words denoting the singular shall include the plural and references to gender shall include both genders and the neuter;
- (d) any liberty or power which may be exercised or any determination which may be made hereunder by the LTIP Committee or the Board may be exercised at the LTIP Committee's or the Board's absolute and unfettered discretion and the LTIP Committee and/or the Board shall not be required to give any reason therefore except as may be required by the relevant authorities;
- (e) the heading in these By-laws are for convenience only and shall not be taken into account in the interpretation of these By-laws;
- (f) if an event occurs on a stipulated day which is not a Market Day, then the stipulated day will be taken to be the first Market Day after that day provided always if such date shall fall beyond the duration of the Scheme, then the stipulated day shall be taken to be the preceding Market Day; and

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

(g) any reference to the Company and/or other person shall include a reference to the successors-in-title and permitted assigns.

PART A: GENERAL PROVISIONS OF THE SCHEME

2. NAME OF THE SCHEME

This Scheme will be called the “MBSB Berhad’s Long Term Incentive Plan” and shall comprise of the ESOS and the SGS.

3. THE OBJECTIVES OF THE SCHEME

The establishment of this Scheme is to:

- (a) recognise the contribution of the Eligible Persons whose services are valued and considered vital to the past and future growth of the Group;
- (b) attract and reward the Eligible Persons by allowing them to participate in the Group's profitability and eventually realise any capital gains arising from appreciation in the value of the Company's shares;
- (c) motivate the Eligible Persons towards improved performance through greater productivity and loyalty;
- (d) inculcate a greater sense of belonging and dedication as the Eligible Persons are given the opportunity to participate directly in the equity of the Company; and
- (e) possibly retain the Eligible Persons, hence ensuring that the loss of key personnel is kept to a minimum level.

4. APPLICATION OF PART A

Unless otherwise expressly provided, the provisions of this Part A shall apply generally to the ESOS and the SGS.

5. MAXIMUM NUMBER OF SHARES AVAILABLE UNDER THE SCHEME

5.1 The total number of the new Shares which may be made available under the ESOS and SGS shall be an aggregate maximum of ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) (“**Maximum Shares**”) at any one time. The LTIP Committee has the discretion in determining whether the Maximum Shares which may be made available under the Scheme shall be staggered over the duration of the Scheme provided that at any one time during the Scheme, no more than ten per centum (10%) of the Maximum Shares shall be made available to the LTIP Participants.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

5.2 Notwithstanding the provision of By-law 5.1 above or any other provisions contained herein, in the event the aggregate number of the Shares awarded under the Scheme exceeds the Maximum Shares at any one time as a result of the Company purchasing or cancelling its own Shares in accordance with the provisions of the Act or the Company undertaking any corporate proposal resulting in reduction of its total number of issued Shares, no further LTIP Awards shall be granted until such aggregate number of the Shares (excluding treasury shares, if any) already awarded falls below the Maximum Shares. Any LTIP Award(s) granted prior to the adjustment of the issued and paid-up share capital and/or Shares of the Company shall remain valid and exercisable in accordance with the provisions of this Scheme.

5.3 Notwithstanding the above, the Company may implement more than one (1) long term incentive plan during the LTIP Period provided that the aggregate Shares available for issuance under all the share issuance schemes implemented by the Company is not more than fifteen per centum (15%) of its total number of issued Shares (excluding treasury shares, if any) at any one time.

6. DURATION AND TERMINATION OF THE SCHEME

6.1 The Effective Date for the implementation of the Scheme shall be such date to be determined by the Board on the recommendation of the LTIP Committee and announced by the Board following the full compliance by the Company with all relevant requirements of the Main Market Listing Requirements including the following:

- (a) receipt of the approval from Bursa Securities for the listing of and quotation for the new Shares to be issued pursuant to the Scheme on the Main Market of Bursa Securities;
- (b) procurement of the approval for the Scheme from the shareholders of the Company at an extraordinary general meeting;
- (c) submission to Bursa Securities of the final copy of the By-laws together with a letter of compliance pursuant to paragraphs 2.12 and 6.42 of the Main Market Listing Requirements and a checklist showing compliance with Appendix 6E of the Main Market Listing Requirements;
- (d) receipt of any other authorisation or approval for the Scheme (if required); and
- (e) fulfilment or waiver (as the case may be) of all conditions attached to the above approvals, if any.

The Scheme, when implemented and unless earlier terminated, shall be in force for a period of ten (10) years from the Effective Date.

6.2 LTIP Awards can only be made during the duration of the Scheme before the Date of Expiry.

6.3 Subject to By-law 6.4 below, the Company may at any time during the duration of the Scheme terminate the Scheme upon determination by the Board on the recommendation of the LTIP Committee and, upon expiry of the notice period stipulated in By-law 6.4, shall immediately announce to Bursa Securities the:

- (a) effective date of termination of the Scheme ("Termination Date");
- (b) number of ESOS Options exercised and the Shares vested; and
- (c) reasons for termination of the Scheme.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

6.4 Prior to the termination of the Scheme pursuant to By-law 6.3, the Company shall provide thirty (30) days' notice to all LTIP Participants and allow the LTIP Participants to:

- (a) exercise any vested but unexercised ESOS Options; and
- (b) subject to By-law 15.1, transfer any shares of any vested SGS Awards prior to the Termination Date.

6.5 Notwithstanding anything to the contrary, all unvested and/or unexercised ESOS Options and/or SGS Awards shall lapse on the Date of Expiry or earlier termination of the Scheme pursuant to By-law 6.3.

6.6 The Company shall through its Adviser submit no later than five (5) Market Days after the Effective Date of the implementation of these By-laws, a confirmation to Bursa Securities of the full compliance of By-law 6.1 above stating the Effective Date of implementation of the Scheme, together with a certified true copy of the relevant resolutions passed by the shareholders of the Company in the general meeting approving the Scheme.

6.7 In the event of termination as stipulated in By-law 6.3 above, the following provisions shall apply:

- (a) no further LTIP Award(s) shall be granted by the LTIP Committee from the Termination Date;
- (b) all LTIP Award(s) which have yet to be accepted by Eligible Persons shall automatically lapse on the Termination Date; and
- (c) any LTIP Award(s) which have yet to be vested or exercised (as the case may be and whether fully or partially) granted under the Scheme shall be deemed cancelled and be null and void.

6.8 Approval or consent of the shareholders of the Company by way of a resolution in an extraordinary general meeting and written consent of LTIP Participant(s) in relation to unvested and/or unexercised LTIP Award(s) are not required to effect a termination of the Scheme.

7. ELIGIBILITY

7.1 Subject to By-laws 7.2, 7.4, 7.5 and 7.6 below, the GCEO and any Selected Employee shall be eligible to be considered for participation in the Scheme.

7.2 Subject to By-law 7.3, the GCEO and the Selected Employees will be eligible if at the LTIP Award Date, the following eligibility criteria are fulfilled:

- (a) in respect of a Selected Employee, the Selected Employee must fulfil the following criteria as at the LTIP Award Date:
 - (i) he/she has attained the age of at least eighteen (18) years and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (ii) he/she is confirmed in writing as a full time employee of the Company or any company in the Group for such period as may be determined by the LTIP Committee or has entered into a fixed-term employment contract and/or whose service has been confirmed and has not served a notice of resignation or received a notice of termination; and
 - (iii) fulfils any other eligibility criteria which have been determined by the LTIP Committee at its sole and absolute discretion from time to time.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

(b) in respect of the GCEO, the GCEO must fulfill the following criteria as at the LTIP Award Date:

- (i) he/she has attained the age of at least eighteen (18) years and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
- (ii) has been appointed as the GCEO for such period as may be determined by the LTIP Committee prior to and up to the LTIP Award Date and has not served a notice of resignation nor received a notice of termination; and
- (iii) fulfills any other eligibility criteria which have been determined by the LTIP Committee at its sole and absolute discretion from time to time.

The eligibility criteria to be fulfilled by the executive directors within our Group in order to be eligible to participate in the Proposed LTIP shall be determined by the LTIP Committee in its sole and absolute discretion.

PROVIDED ALWAYS THAT the selection of any Eligible Person(s) for participation in the Scheme shall be at the sole and absolute discretion of the LTIP Committee and the decision of the LTIP Committee shall be final and binding. In determining the eligibility of an Eligible Person to participate in the Scheme, the LTIP Committee may take into account amongst other factors, designation, role, function, length of service and/or contribution to the relevant company within the Group, and/or such other factors that the LTIP Committee may in its sole and absolute discretion deem fit.

7.3 No ESOS Award, allocation under the Scheme and the related allotment and/or vesting of the new Shares shall be made to the following persons unless the shareholders of the Company in a general meeting shall have approved the specific allocation, allotment and/or award to such persons:

- (a) any Eligible Person who is a Director, major shareholder or chief executive officer of the Company ("interested Director", "interested major shareholder" and "interested chief executive"); or
- (b) an Eligible Person who is connected with an interested Director, interested major shareholder or interested chief executive ("interested person connected with a Director, major shareholder or chief executive").

In a meeting to obtain shareholder approval in respect of the above allocation, allotment and/or grant:

- (a) to an Eligible Person who is the interested Director, interested major shareholder, interested chief executive or interested person connected with a Director, major shareholder or chief executive; and
- (b) where the allocation and allotment is in favour of an Eligible Person who is an interested person connected with a Director, major shareholder or chief executive, such Director, major shareholder or chief executive,

must not vote on the resolution approving the said allocation, allotment and/or award. An interested Director, interested major shareholder or interested chief executive must ensure that such persons connected with him/her abstain from voting on the resolution approving the said allocation, allotment and/or award.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

7.4 Subject to these By-laws and to any applicable laws, where an employee has or had anytime (whether before or after the Effective Date) been seconded from any company within the Group to a company which is not part of the Group, such seconded employee shall, unless otherwise determined by the LTIP Committee at its sole discretion, be eligible to be considered for participation in the Scheme, and for the purpose of these By-laws, reference to "Eligible Person" shall include the seconded employee.

7.5 For the avoidance of doubt, an employee who attains the prescribed retirement age but is offered to continue to serve the Group on a full-time basis, but not as a consultant, shall be treated as an employee of the Group. However, the following persons are not Selected Employees and do not qualify for participation in the Scheme:

- (a) subject to By-law 24 below, employees of a company which has ceased to be a subsidiary of the Company; and
- (b) a Director or employee of a company within the Group which is dormant unless otherwise determined by the LTIP Committee but subject to the relevant prevailing laws and regulations.

7.6 Unless otherwise determined by the LTIP Committee, a LTIP Participant under the Scheme shall not be precluded from participating in any other share issuance scheme, share grant scheme or share scheme which may be implemented by any other company in the Group during the duration of the Scheme. For the avoidance of doubt, in the event the LTIP Participant is transferred to another company within the Group which has its own share issuance scheme, share grant scheme or share scheme, such LTIP Participant is entitled to continue participating in the Scheme and exercise all unexercised LTIP Awards granted under this Scheme, in accordance with these By-laws.

7.7 An Eligible Person may be eligible to participate in either or both the ESOS and/or the SGS, as may be determined by the LTIP Committee.

7.8 Eligibility under the Scheme does not confer on an Eligible Person a claim or right to participate in or any rights whatsoever under the Scheme and an Eligible Person does not acquire or have any rights over or in connection with the ESOS Options or the Shares comprised herein unless a LTIP Award pursuant to an Award Letter has been made by the LTIP Committee to the Eligible Person and the Eligible Person has accepted the LTIP Award.

7.9 Notwithstanding anything to the contrary in these By-laws subject always to By-laws 17 and 18, the LTIP Committee may, in its absolute discretion, but subject to compliance with the Main Market Listing Requirements, other applicable laws, the requirements of Bursa Securities and any other relevant authorities (as the case may be) determine any other eligibility criteria and/or vary, revise or waive the eligibility criteria set out in this By-law 7 at any time and from time to time. The eligibility and number of LTIP Award(s) to be awarded to an Eligible Person under the Scheme shall be at the sole and absolute discretion of the LTIP Committee and the decision of the LTIP Committee shall be final and binding.

7.10 Where a LTIP Award is to an Eligible Person who is a person connected to member of the LTIP Committee, such LTIP Award shall be decided and carried out by the LTIP Committee **PROVIDED ALWAYS** that such person connected to the Eligible Person who is also a member of the LTIP Committee shall abstain from all deliberations and voting in respect of the LTIP Award proposed to be offered or awarded to the relevant Eligible Person or the vesting of ESOS Options and/or the Shares to the relevant Eligible Person at the relevant LTIP Committee meetings.

8. MAXIMUM ALLOWABLE ALLOCATION AND BASIS OF ALLOCATION

8.1 Subject to By-law 5 and any adjustments which may be made under these By-laws, the aggregate number of the Shares that may be allocated to any of the Eligible Persons of the Group who are entitled to participate in the Scheme shall be on the basis set out in By-law 7.2 subject always to the following main parameters:

- (a) the Eligible Person(s) and those persons connected to them do not participate in the deliberation or discussion of their own allocation and those of persons connected to them; and
- (b) the number of the Shares allocated to any Eligible Person who, either singly or collectively through persons connected with the Eligible Person, holds twenty per centum (20%) or more of the total number of issued Shares (excluding treasury shares, if any), does not exceed ten per centum (10%) of the new Shares issued under the Scheme,

provided always that it is in accordance with any prevailing guidelines issued by Bursa Securities, the Main Market Listing Requirements or any other relevant authorities as may be amended from time to time.

8.2 The basis for determining the aggregate number of the Shares that may be offered and/or allocated under the Scheme to an Eligible Person shall be at the sole and absolute discretion of the LTIP Committee after taking into consideration, *inter alia*, the provisions of the Main Market Listing Requirements or other applicable regulatory requirements prevailing during the LTIP Period relating to employees' share issuance schemes and after taking into consideration the seniority, job grading, performance, annual appraised performance, length of service and/or contribution to the Group by the Eligible Person and/or such other matters (e.g. environmental, social and governance (ESG)-linked performance targets) which the LTIP Committee may in its sole and absolute discretion deem fit and the Maximum Allowable Allocation as decided by the LTIP Committee.

8.3 Subject to By-law 17, the LTIP Committee may at its sole and absolute discretion and pursuant to By-law 16, amend or vary and/or include or preclude any basis or criteria which is applied in considering the granting of LTIP Awards to Eligible Persons, including the Maximum Allowable Allocation for which it shall deem necessary to introduce during the duration of the Scheme provided that these bases are in compliance with the relevant Main Market Listing Requirements and applicable laws.

8.4 In the event that an Eligible Person is promoted, he/she shall be entitled to continue to hold all unvested ESOS Options and to exercise all vested but unexercised ESOS Options and/or be entitled to hold all unvested SGS Awards held by him/her. The Maximum Allowable Allocation applicable to such Eligible Person shall be the Maximum Allowable Allocation that may be awarded corresponding to the category of the employee of which he/she then is a party, subject always to the Maximum Shares.

8.5 In the event that an Eligible Person is demoted, he shall be entitled to exercise all vested but unexercised ESOS Options and/or to all vested SGS Awards unless otherwise determined by the LTIP Committee, and the number of unvested ESOS Options and/or SGS Awards held by him/her at that time may be reduced by the LTIP Committee in its sole and absolute discretion.

8.6 Any Eligible Person who holds more than one (1) position within the Group and by holding such position is an Eligible Person, shall only be entitled to the Maximum Allowable Allocation of any one (1) category/designation of employment. The LTIP Committee shall be entitled at its discretion to determine the applicable category/designation of employment.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

- 8.7 The LTIP Committee may make more than one (1) LTIP Award to an Eligible Person provided that the aggregate number of LTIP Awards so offered to an Eligible Person throughout the entire LTIP Period does not exceed the Maximum Allowable Allocation of such Eligible Person that may be awarded corresponding to the category of the employee of which the Eligible Person is a party, subject always to the Maximum Shares.
- 8.8 The LTIP Committee shall not be obliged in any way to award, grant or vest to any Eligible Person any ESOS Options and/or SGS Awards. The decision of the LTIP Committee shall be final and binding.
- 8.9 The allocation of ESOS Options and SGS Awards pursuant to the Scheme shall be verified by the Company's Audit Committee, as being in compliance with the criteria set out in these By-laws (where relevant) at the end of each financial year of the Company.
- 8.10 The LTIP Committee may at its sole and absolute discretion determine whether granting of the LTIP Award(s) to the Eligible Person will be in one (1) single grant or staggered over the duration of the Scheme and/or whether the LTIP Award(s) are subject to any vesting period and if so, to determine the Vesting Conditions including whether such Vesting Conditions are subject to performance target.
- 8.11 If a member of the LTIP Committee is a person connected (as defined under the Main Market Listing Requirements) to an Eligible Person, such member of the LTIP Committee who is a shall not participate in the deliberation or discussion of the allocation to the Eligible Person.
- 8.12 At the time the LTIP Award(s) is awarded in accordance with these By-laws, the LTIP Committee shall set out the basis of the award, identifying the category or grant of the Eligible Person and the Maximum Allowable Allocation that may be awarded to such Eligible Person under the LTIP Award(s).

9. RIGHTS ATTACHING TO LTIP AWARDS AND THE NEW SHARES

- 9.1 The ESOS Options shall not carry any right to vote at any general meeting of the Company until and unless such Shares have been issued, allotted, transferred and/or credited, as the case may be, into the CDS Account of the LTIP Participant.
- 9.2 A LTIP Participant shall not be entitled to any dividends, right or other entitlements on his/her unvested or unexercised ESOS Options and/or unvested SGS Awards (as the case may be).
- 9.3 The new Shares to be allotted upon the vesting and exercise of the ESOS Options shall upon allotment and issuance rank *pari passu* in all respects with the existing Shares save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions declared, the Entitlement Date of which is prior to the date of allotment of the said new Shares and shall be subject to the provisions of the Constitution of the Company. If applicable, in the event that any existing Shares are to be transferred upon the vesting of any Shares under the SGS Awards, the existing Shares shall be transferred together with all dividends, rights, allotments and/or other distributions declared, the Entitlement Date of which is on or after the date the Shares are credited into the CDS Account of the relevant LTIP Participants.
- 9.4 If applicable, all dividends, rights, allotments and/or any other distribution declared, made, paid or attached to the Shares held in trust by the Trustee shall form part of the Trust assets until such Shares are credited into the CDS Accounts of the respective LTIP Participants in which event By-laws 9.1, 9.2 and 9.3 shall apply.
- 9.5 All Shares will be subject to all provisions of the Constitution of the Company.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

10. TRUST

- 10.1 For the purpose of facilitating the implementation of the Scheme and to comply with relevant prevailing laws and regulations, the Company may, if deemed appropriate by the LTIP Committee, establish a Trust to be administered by the Trustee for the purposes of subscribing for new Shares and/or acquiring existing Shares from the Main Market of Bursa Securities and transferring them to the LTIP Participants at such time as the LTIP Committee shall direct. To enable the Trustee to subscribe for new Shares and/or acquire existing Shares for the purpose of the Scheme and to pay for expenses in relation to the administration of the Trust, the Trustee may, to the extent permitted by law and as set out under these By-laws, receive funds and/or assistance, financial or otherwise, from the Group or any other person in such bank account(s) to be established by the Trustee for the purpose of the Trust. The LTIP Committee shall have the sole and absolute discretion to instruct the Trustee to subscribe for new Shares, acquire existing Shares and/or receive treasury shares for the purpose of the Scheme at any time and from time to time and also to revoke or suspend any such instruction that has earlier been given to the Trustee.
- 10.2 If a Trust is established, the Trustee shall administer the Trust in accordance with the Trust Deed. For the purpose of administering the Trust, the Trustee shall do all such acts and things and enter into any transactions, agreements, deeds, documents or arrangements or make rules, regulations or impose terms and conditions or delegate part of its power relating to the administering of the trust as the LTIP Committee may in its discretion direct for the purpose of implementation or administration of the Trust.
- 10.3 The Company shall have the power from time to time to appoint, rescind or terminate the appointment of any Trustee as it deems fit in accordance with the provisions of the Trust Deed. The LTIP Committee shall not be under any obligation to give any reasons for such appointment, rescission or termination. The LTIP Committee shall have the power from time to time, at any time, to negotiate with the Trustee to amend the provisions of the Trust Deed.

11. NON-TRANSFERABILITY

- 11.1 An ESOS Option and/or SGS Award (as the case may be) is personal to the LTIP Participant and, prior to the allotment and/or transfer to the LTIP Participant of the Shares to which the LTIP Award relates, shall not be transferred, charged, assigned, pledged or otherwise disposed of (in whole or in part) in any manner whatsoever.
- 11.2 Unless permitted under these By-laws, a LTIP Award or the rights of the ESOS Participants under the ESOS Options shall not be transferred, assigned, disposed of or subject to any encumbrances by the LTIP Participant. Any attempt to transfer, assignment, disposal or encumbrance shall result in the automatic cancellation of the ESOS Option and/or LTIP Award. (as the case may be).

12. TERMINATION AND CLAWBACK

- 12.1 Upon occurrence of one or more of the following events prior to (i) the full vesting of the LTIP Award (including prior to the acceptance of the LTIP Award by the Eligible Persons), or (ii) allotment/transfer of any Shares pursuant to the SGS Award and/or exercise of any ESOS Option (as the case may be), such LTIP Award and/or ESOS Option or the balance thereof that remained unvested, not allotted/transferred or unexercised, as the case may be, shall immediately cease to be valid without any claim against the Company:
 - (a) upon the tendering of resignation by an Eligible Person or LTIP Participant from his/her employment or contract of service with the Group, unless otherwise agreed in writing by the LTIP Committee at its absolute discretion;

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

- (b) upon the retirement or removal, termination or cessation of employment, of an Eligible Person or LTIP Participant, for any reason;
- (c) upon the expiry, termination or cessation of a contract of service of an Eligible Person or LTIP Participant, for any reason;
- (d) upon the corporation which employs the Eligible Person or LTIP Participant ceasing to be part of the Group; or
- (e) without prejudice to the provisions of By-laws 38.8 and 42.4, upon the Eligible Person or LTIP Participant being subject to disciplinary proceedings and the employment of the Eligible Person or LTIP Participant being terminated.

12.2 Notwithstanding By-law 12.1 above, the LTIP Committee may, at its absolute discretion, by notice in writing, stipulate the times or period at or within which such unvested LTIP Awards shall vest all or in part (provided that no LTIP Award shall vest after the Date of Expiry) or permit such allotment/transfer of Shares pursuant to vested SGS Award and/or the exercise of any ESOS Option all or in part if such cessation occurs by reason of:

- (a) retirement upon or after attaining the retirement age under the Group's retirement policy; or
- (b) retirement before attaining the normal retirement age with the consent of his/her employer; or
- (c) redundancy or retrenchment pursuant to the acceptance by that LTIP Participant or a voluntary separation scheme offered by a company within the Group;
- (d) resignation, retirement or removal of a LTIP Participant, for any reason, save where such resignation, retirement or removal was due to the breach of duty, gross negligence or wilful misconduct;
- (e) transfer to any company outside the Group at the direction of the Company; or
- (f) ill-health, injury, physical or mental disability; or
- (g) any other circumstances which are acceptable to the LTIP Committee.

12.3 In the event a bankruptcy proceeding has commenced against a LTIP Participant, the ESOS Option or SGS Award (as the case may be) shall be suspended pending the outcome of the bankruptcy proceedings. If the bankruptcy proceeding is withdrawn, the suspension shall be lifted and the unvested and/or unexercised ESOS Options and/or SGS Awards in respect of the LTIP Award shall be capable to be vested to the said LTIP Participant. However, an ESOS Option or SGS Award (as the case may be) shall immediately become void and of no further force and effect upon the LTIP Participant being adjudicated a bankrupt.

12.4 For the avoidance of doubt, in the event of the liquidation or winding up of the Company in accordance with By-law 30 or termination of the Scheme in accordance with By-law 6.3, all unexercised or unvested or partially unexercised or partially unvested ESOS Options and SGS Awards shall lapse and cease to be valid.

12.5 An ESOS Option or SGS Award (as the case may be) shall cease to be valid without any claim against the Company upon the happening of any event which results in the LTIP Participant being deprived of the beneficial ownership of the ESOS Option or SGS Award on the date such event occurs.

12.6 Upon the termination of the ESOS Options and/or SGS Awards (as the case may be) pursuant to this By-law 12, the LTIP Participant shall have no right to compensation or damages or any claim against the Company for any loss of any right or benefit under the Scheme which he/she

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

might otherwise have enjoyed, whether for wrongful dismissal or breach of contract or loss of office or otherwise howsoever arising from his/her ceasing to hold office or employment or under a contract of service or from the suspension of his/her right to exercise or be vested his/her ESOS Options and/or SGS Awards (as the case may be) or his/her ESOS Options and/or SGS Awards (as the case may be) ceasing to be valid.

12.7 Any LTIP Award granted and/or Shares allotted or transferred (as the case may be) to any LTIP Participant pursuant to the Scheme may be subject to any clawback provision which may include cancellation, forfeiture, return, repayment or recovery by the Company as may be ascertained by the LTIP Committee at its sole and absolute discretion.

13. ALTERATION OF SHARE CAPITAL

13.1 Notwithstanding anything contained in these By-laws and subject to any applicable laws and the Main Market Listing Requirements, in the event of any alteration in the capital structure of the Company prior to the Date of Expiry, whether by way of a rights issue, bonus issue or other capitalisation issue, consolidation or subdivision of the Shares or reduction of capital or any other variation of capital, the Board may in its discretion in good faith cause such adjustment to be made to the number of the Shares which shall be exercisable or vested under an ESOS Option(s) or SGS Award(s) and/or the Exercise Price.

13.2 The following provisions shall apply in relation to an adjustment which is made pursuant to By-law 13.1:

- (a) any adjustment to the Exercise Price shall be rounded up to the nearest one (1) sen; and
- (b) in determining a LTIP Participant's entitlement to subscribe for the Shares and/or number of the Shares to be vested, any fractional entitlements will be disregarded.

13.3 By-law 13.1 shall not be applicable where an alteration in the capital structure of the Company arises from any of the following:

- (a) an issue of new Shares or other securities convertible into the Shares or rights to acquire or subscribe for the Shares in consideration or part consideration for an acquisition of any other securities, assets or business;
- (b) a special issue of new Shares to Bumiputera investors nominated by the Ministry of International Trade and Industry, Malaysia and/or other government authority to comply with the Government policy on Bumiputera capital participation;
- (c) a private placement/restricted issue of new Shares by the Company;
- (d) an issue of new Shares arising from the exercise of any conversion rights attached to securities convertible to the Shares or upon exercise of any other rights including warrants and/or convertible loan stocks (if any) issued by the Company;
- (e) an issue of new Shares upon the exercise of ESOS Option(s) pursuant to the Scheme;
- (f) a share buy-back arrangement by the Company, pursuant to Section 127 of the Act; and
- (g) an issue of further ESOS Option(s) or SGS Award(s) to Eligible Persons under these By-laws.

13.4 In the event that the Company enters into any scheme of arrangement or reconstruction pursuant to Part III (Division 7, Subdivision 2) of the Act, By-law 13.1 shall be applicable in respect of such part(s) of the Scheme which involve(s) any alteration(s) in the capital structure

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

of the Company, save that By-law 13.3 shall be applicable in respect of such part(s) of the Scheme which involve(s) any alteration(s) in the capital structure of the Company which falls within By-law 13.3.

- 13.5 An adjustment pursuant to By-law 13.1 shall be made according to the following terms:
 - (a) in the case of a rights issue, bonus issue or other capitalisation issue, on the next Market Day immediately following the Entitlement Date in respect of such issue; or
 - (b) in the case of a consolidation or subdivision of the Shares or reduction of capital, on the next Market Day immediately following the date on which the consolidation or subdivision or capital reduction becomes effective, or such period as may be prescribed by Bursa Securities.
- 13.6 Save for any alteration in the capital structure of the Company during the duration of the Scheme arising from bonus issues, subdivision or consolidation of shares, all adjustments must be confirmed in writing by an approved company auditor or the Company's Adviser, acting as an expert and not as an arbitrator, to be in his/her opinion fair and reasonable. Such confirmation shall be final and binding on all parties. For the purposes of this By-law, an approved company auditor shall have the meaning given in Section 2 of the Act and shall be the external auditors for the time being of the Company or such other external auditors as may be nominated by the Board.
- 13.7 The Board shall be guided by the adjustments as provided in the Schedule in determining the adjustments to be made pursuant to this By-law 13.
- 13.8 Upon any adjustment being made, the LTIP Committee shall within twenty (20) Market Days give notice in writing to the LTIP Participant (or his/her duly appointed personal representatives where applicable), to inform him/her of the adjustment and the event giving rise thereto.
- 13.9 Notwithstanding the other provisions referred to in the Schedule, in any circumstances where the LTIP Committee considers that adjustments to the Exercise Price and/or any Shares relating to ESOS Options and/or SGS Awards to be issued or vested as provided for under the provisions hereof should not be made, or should be or should not be calculated on a different basis or different date or that an adjustment to the Exercise Price and/or the adjustments to the number of the Shares to be issued or vested relating to ESOS Options and/or SGS Awards should be made notwithstanding that no adjustment is required under the provisions hereof, the Company may appoint an Adviser and/or an auditor to consider whether for any reasons whatever the adjustment calculation or determination to be made (or the absence of an adjustment calculation or determination) is appropriate or inappropriate as the case may be. If such Adviser and/or auditor shall consider the adjustment calculation or determination to be inappropriate, the adjustments shall be modified or nullified (or an adjustment calculation or determination made even though not required to be made) in such manner as may be considered by such Adviser and/or auditor to be in their opinion appropriate.

14. QUOTATION OF NEW SHARES

- 14.1 If at the time of allotment of the new Shares pursuant to the exercise of an ESOS Option (if any), the existing issued ordinary shares of the Company are quoted on Bursa Securities, the Company shall make an application to Bursa Securities for its permission for the listing of and quotation for the new Shares so allotted in accordance with By-law 38.5 and By-law 42.1 (as the case may be).
- 14.2 The Company and the LTIP Committee shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and however relating to the delay on the part of the Company in allotting and issuing the Shares or in procuring Bursa Securities to list the Shares for which the LTIP Participant(s) is entitled to.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

15. RETENTION PERIOD

- 15.1. The Shares to be transferred to the LTIP Participant pursuant to this Scheme will not be subjected to any retention period unless otherwise as stated in the LTIP Award(s) as determined by the Board on the recommendation of the LTIP Committee from time to time. The expression "retention period" shall mean the period in which the Shares are awarded pursuant to the Scheme must not be sold, transferred, assigned or otherwise disposed by the LTIP Participant(s). However, the LTIP Participant is encouraged to hold the Shares as an investment rather than to realise immediate gains from disposal.
- 15.2. Notwithstanding By-law 15.1 above, the Board on the recommendation of the LTIP Committee shall be entitled to prescribe or impose, in relation to any LTIP Award(s), any condition relating to any retention period or restriction on transfer (if applicable) as the LTIP Committee sees fit.

16. ADMINISTRATION

- 16.1. This Scheme shall be administered by the LTIP Committee which shall comprise of such non-executive Directors as shall be appointed from time to time by the Board. The Board shall have the discretion as it deems fit to approve, rescind and/or revoke the appointment of any person in the LTIP Committee.
- 16.2. The LTIP Committee shall be vested with such powers and duties as are conferred upon it by the Board to administer the Scheme in such manner as it shall in its discretion deem fit.
- 16.3. Without limiting the generality of By-law 16.2, the LTIP Committee may, for the purpose of administering the Scheme, do all acts and things, rectify any error(s) in the LTIP Award(s), enter into any transactions, agreements, deeds, documents or arrangements, and make rules, regulations or impose terms and conditions or delegate part of its power relating to the Scheme which the LTIP Committee may in its discretion consider to be necessary or desirable for giving full effect to the Scheme, including the powers to:
 - (a) subject to the provisions of the Scheme, construe and interpret the Scheme and LTIP Award(s) granted under it, to define the terms therein and to recommend to the Board to establish, amend and revoke rules and regulations relating to the Scheme and its administration. The LTIP Committee in the exercise of this power may correct any defects, supply any omission, or reconcile any inconsistency in the Scheme or in any agreement providing for the LTIP Award(s) in a manner and to the extent it shall deem necessary to expedite and make the Scheme fully effective;
 - (b) determine all questions of policy and expediency that may arise in the administration of the Scheme and generally exercise such powers and perform such acts as are deemed necessary and/or expedient to promote the best interests of the Company; and
 - (c) do all acts and things, rectify any errors in a LTIP Award, execute all documents and delegate any of its powers and duties relating to the Scheme as it may at its discretion consider necessary or desirable for giving effect to the Scheme.
- 16.4. In implementing the Scheme, the LTIP Committee may at its absolute discretion decide that the LTIP Awards be satisfied by the following methods:
 - (a) in respect of the ESOS Award, the allotment and issuance of new Shares;
 - (b) in respect of the SGS Award:
 - (i) transfer of the Company's treasury shares; and/or

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

- (ii) transfer of existing Shares acquired by the Company from the Main Market of Bursa Securities;
- (c) payment of the equivalent cash value of such new Shares and/or existing Shares;
- (d) any other methods as may be permitted by the Act and the Main Market Listing Requirements, as amended from time to time and any re-enactment thereof; or
- (e) a combination of any of the above.

16.5. Any decision or determination of the LTIP Committee made pursuant to the provisions of the Scheme (other than a matter to be certified and/or approved by the auditors or Advisers) shall be final, binding and conclusive (including for the avoidance of doubt, any decision pertaining to any dispute as to the interpretation of the Scheme or any rule, regulation or procedure hereunder or as to any rights under the Scheme). The LTIP Committee shall not be required to furnish any reason for any decision or determination made by it except as may be required by the relevant authorities.

16.6. Neither the Scheme nor LTIP Award under the Scheme shall impose on the Company, the Board, or the LTIP Committee or any of its members any liability whatsoever in connection with:

- (a) the lapse of any LTIP Award pursuant to any provision of the Scheme;
- (b) the failure or refusal by the LTIP Committee to exercise, or the exercise by the LTIP Committee of, any discretion under the Scheme; and/or
- (c) any decision or determination of the LTIP Committee made pursuant to any provision of the Scheme.

16.7. The Board shall have power at any time and from time to time to approve, rescind and/or revoke the appointment of any person in the LTIP Committee as it shall deem fit.

17. AMENDMENT AND/OR MODIFICATION TO THE SCHEME

17.1. Subject to the compliance with the requirements of Bursa Securities and any other relevant authorities and their approvals being obtained (if required under the Main Market Listing Requirements and applicable laws and regulations), the LTIP Committee may at any time and from time to time recommend to the Board any additions or amendments to or deletions of these By-laws as it shall in its discretion think fit and the Board shall have the power by resolution to add to, amend or delete all or any of these By-laws upon such recommendation **PROVIDED ALWAYS THAT** no additions or amendments to or deletions of these By-laws shall be made which will:

- (a) prejudice any rights then accrued to any LTIP Participant without the prior consent or sanction of that LTIP Participant (as the case may be);
- (b) increase the number of the Shares available under the Scheme beyond the Maximum Shares;
- (c) prejudice any rights of the shareholders of the Company without the prior approval of the Company's shareholders in a general meeting; or
- (d) alter to the advantage of any Eligible Person in respect of any matters which are required to be contained in the By-laws by virtue of Appendix 6E of the Main Market Listing Requirements, without the prior approval of the Company's shareholders in a general meeting unless allowed otherwise by the provisions of the Main Market Listing Requirements.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

- 17.2. Any amendments/modifications to the By-laws shall not contravene any of the provisions stipulated under the Main Market Listing Requirements and/or any other relevant regulatory authority in relation to share issuance schemes and/or share grant schemes.
- 17.3. Upon amending and/or modifying all or any of the provisions of the Scheme, the Company shall within five (5) Market Days after the effective date of the amendments caused to be submitted to Bursa Securities the amended By-laws and a confirmation letter in the form required under the Main Market Listing Requirements that the said amendment and/or modification complies and does not contravene any of the provisions of the Main Market Listing Requirements on share issuance schemes and/or share grant schemes (as the case may be) and the Rules of Bursa Depository.
- 17.4. The LTIP Committee shall within ten (10) Market Days of any amendment and/or modification made pursuant to these By-laws notify the LTIP Participants in writing of any amendment and/or modification made pursuant to these By-laws.

18. DISPUTES AND ERRORS AND OMISSIONS

- 18.1. In the event of any dispute or difference arising between the LTIP Committee and an Eligible Person or a LTIP Participant, as to any matter or thing of any nature arising hereunder, the LTIP Committee shall determine such dispute or difference by a written decision (without the obligation to give any reason thereof) to the Eligible Person or the LTIP Participant, as the case may be **PROVIDED THAT** where the dispute or difference is raised by a member of the LTIP Committee, the said member shall abstain from voting in respect of the decision of the LTIP Committee in that instance.
- 18.2. In the event the Eligible Person or the LTIP Participant, as the case may be, shall dispute the decision made by the LTIP Committee within fourteen (14) days of the receipt of the written decision, then such dispute or difference shall be referred to the Board, whose decision shall be final and binding in all respects, provided that any Director of the Company who is also in the LTIP Committee shall abstain from voting in respect of the decision and no person shall be entitled to dispute any decision or certification which is stated to be final and binding under these By-laws.
- 18.3. Notwithstanding anything herein to the contrary, any costs and expenses incurred in relation to any dispute or difference or appeal brought by any party to the LTIP Committee shall be borne by such party.
- 18.4. If in consequence of an error or omission, the LTIP Committee discovers or determines that:
 - (a) an Eligible Person who was selected by the LTIP Committee as a LTIP Participant, has not been given the opportunity to participate in the Scheme on any occasion; or
 - (b) the number of the Shares allotted, issued, transferred or vested to any LTIP Participant on any occasion is found to be incorrect;

the LTIP Committee and/or the Trustee may do all such acts and things to rectify such error or omission and ensure that the Eligible Person is given the opportunity to participate in the Scheme and/or the aggregate number of the Shares to which the LTIP Participant is correctly entitled to is credited into the LTIP Participant's CDS account.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

19. SCHEME NOT A TERM OF EMPLOYMENT OR CONTRACT OF SERVICE

This Scheme shall not form part of or constitute or in any way be construed as a term or condition of employment or contract of service of any Eligible Person. This Scheme shall not confer or be construed to confer on an Eligible Person any special rights or privileges over the Eligible Person's terms and conditions of employment or contract of service in the Group nor any rights in addition to any compensation or damages that the Eligible Person may be normally entitled to arising from the cessation of such employment or contract of service. The terms of employment or contract of service of an Eligible Person shall not be affected by his/her participation in the Scheme.

20. COSTS AND EXPENSES

All fees, costs and expenses incurred in relation to the administration and management of the Scheme including but not limited to the fees, costs and expenses relating to the grant, vesting, allotment and issue and/or transfer of the Shares pursuant to the exercise or vesting of any ESOS Option or SGS Award shall be borne by the Company. Notwithstanding this, the LTIP Participant shall bear any fees, costs and expenses incurred in relation to his/her acceptance of a LTIP Award and exercise of the ESOS Option, opening and maintaining of his/her respective CDS Account and sale of the Shares in the market.

21. CONSTITUTION

Notwithstanding the terms and conditions contained in these By-laws, if a situation of conflict should arise between these By-laws and the Constitution of the Company, the provisions of the Constitution of the Company shall prevail at all times save and except where such provisions of the By-laws are included pursuant to the Main Market Listing Requirements.

22. INSPECTION OF AUDITED ACCOUNTS

All LTIP Participants are entitled to inspect the latest audited accounts of the Company during the normal office hours on any working day at the Registered Office of the Company.

23. TRANSFER FROM OTHER COMPANIES TO THE GROUP

In the event that:

- (i) an employee who was employed or under a contract of service in a company which is not within the Group and is subsequently transferred from such company to any company within the Group; or
- (ii) an employee who was in the employment or under a contract of service with a company which subsequently becomes a member of the Group as a result of a restructuring exercise or otherwise involving the Company and/or any company within the Group with any of the first mentioned company stated in (i) above;

(the first mentioned company in (i) and (ii) above are hereinafter referred to as the “**Previous Company**”), such an employee of the Previous Company (“**Employee**”), subject to By-law 6, will be eligible to participate in the Scheme only for the remaining duration of the Scheme, if the Employee becomes an “**Eligible Person**” within the meaning under these By-laws, subject always to the LTIP Committee's discretion.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

For the avoidance of doubt, in the event of any acquisition or incorporation of any company into the Group pursuant to part (ii) above as a subsidiary pursuant to Section 4 of the Act, the Scheme shall apply to the Employees of such company on the date such company becomes a subsidiary of the Group (provided that such subsidiary is not dormant) falling within the meaning of the expression of “**Eligible Person**” under these By-laws.

24. DIVESTMENT FROM THE GROUP

24.1. If a LTIP Participant who held office or was in employment or under a contract of service with a company which ceases to be a company within the Group due to a subsequently disposal or divested (in whole or in part) from the Group, then such LTIP Participant:

- (a) shall cease to be capable of being vested of any unvested LTIP Awards awarded to him/her under the Scheme;
- (b) will not be entitled to exercise any unexercised vested ESOS Options, unless the LTIP Committee at its discretion permit such exercise of the unexercised vested ESOS Option or the vesting of the unvested LTIP Awards including its allocation thereof. For the avoidance of doubt, save and except to the extent permitted by the LTIP Committee, all existing LTIP Awards shall automatically lapse and be null and void and of no further force and effect, and
- (c) shall not be eligible to participate for further LTIP Awards under the Scheme as from the date of completion of such divestment, unless approved by the LTIP Committee in writing.

24.2. For the purpose of By-law 24.1, a company shall be deemed to be divested from the Group in the event that such company would no longer be a subsidiary of the Company pursuant to Section 4 of the Act.

25. TAKEOVER AND DISPOSAL OF ASSETS

Subject to the provisions of any applicable statutes, rules, regulations and/or conditions issued by the relevant regulatory authorities, in the event of:

- (a) a take-over offer being made for the Company, under the Malaysian Code on Take-Overs and Mergers 2016 and Rules on Take-overs, Mergers and Compulsory Acquisitions (or any replacement thereof), to acquire the whole of the issued ordinary share capital of the Company (or such part thereof not at the time held by the person making the take-over offer (“**Offeror**”) or any persons acting in concert with the Offeror); or
- (b) the Offeror becoming entitled or bound to exercise the right of compulsory acquisition of the Shares under the provisions of any applicable statutes, rules and/or regulations and gives notice to the LTIP Participants that it intends so to exercise such rights on a specific date (“**Specified Date**”); or
- (c) the Company disposes of all or substantially all of its assets and the disposal becomes unconditional;

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

the LTIP Committee may at its discretion to the extent permitted by law permit the vesting of the LTIP Awards and the LTIP Participant(s) will be entitled to within such period to be determined by the LTIP Committee to subscribe and/or exercise all or any of his/her LTIP Awards and the Directors of the Company shall use their best endeavours to procure that such a general offer be extended to the new Shares that may be issued pursuant to the LTIP Award(s) under these By-laws. In the event that the LTIP Participants elects not to exercise some or all of the ESOS Options held by him/her, the unexercised ESOS Options shall be automatically terminated and lapse by the date prescribed be null and void and of no further force and effect.

In the foregoing circumstances, all LTIP Award(s) which the LTIP Committee permits to be vested and/or exercisable, shall automatically lapse and become null and void to the extent remain unvested and/or unexercised by the date prescribed by the LTIP Committee notwithstanding that the LTIP Award vesting date has not commenced or has not expired.

26. SCHEME OF ARRANGEMENT, AMALGAMATION AND RECONSTRUCTION

Notwithstanding By-laws 38 and 40 and subject to the discretion of the LTIP Committee, in the event of the court sanctioning a compromise or arrangement between the Company and its members proposed for the purposes of, or in connection with, a scheme of arrangement and reconstruction of the Company or its amalgamation with any other company or companies, the LTIP Committee may at its absolute discretion decide whether a LTIP Participant may be entitled to be vested and/or to exercise all or any of his/her unvested and/or unexercised LTIP Awards at any time commencing from the date upon which the compromise or arrangement is sanctioned by the court and ending on the date upon which it becomes effective **PROVIDED ALWAYS THAT** no LTIP Awards shall be vested and LTIP Awards shall be subscribed and/or exercised after the expiry of the LTIP Award vesting date. Upon the compromise or arrangement becoming effective, all unvested and/or unexercised LTIP Awards shall automatically lapse and shall become null and void and of no further force and effect.

27. NO COMPENSATION

27.1. No Eligible Person shall be entitled to any compensation for damages arising from the termination of the LTIP Award(s) or this Scheme pursuant to the provisions of these By-laws.

Notwithstanding any provisions of these By-laws:

- (a) this Scheme shall not confer on any person any legal or equitable right or other rights under any other law (other than those constituting the LTIP Award(s)) against the Company or any company of the Group, directly or indirectly, or give rise to any course of action in law or in equity or under any other law against any company within the Group;
- (b) no LTIP Participant(s) or his/her legal representative (as the case may be) shall bring any claim, action or proceeding against any company of the Group, the LTIP Committee or any other party for compensation, loss or damages whatsoever and howsoever arising from the suspension/cancellation of his/her rights to his/her LTIP Award(s) or his/her LTIP Award(s) ceasing to be valid pursuant to the provisions of these By-laws; and

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

(c) the Company, the Board (including Directors that had resigned but were on the Board during the duration of the Scheme), the Trustee or the LTIP Committee shall in no event be liable to the LTIP Participant(s) or his/her legal representative (as the case may be) or any other person or entity for any third party claim, loss of profits, loss of opportunity, loss of savings or any punitive, incidental or consequential damage, including without limitation lost profits or savings, directly or indirectly arising from the breach or non-performance of these By-laws or any loss suffered by reason of any change in the price of the Shares or from any other cause whatsoever whether known or unknown, contingent, absolute or otherwise, whether based in contract, tort, equity, indemnity, breach of warranty or otherwise and whether pursuant to common law, statute, equity or otherwise, even if any company of the Group, the Board or the LTIP Committee has been advised of the possibility of such damage.

28. TAXES

All costs, fees, levies, charges and/or taxes (including, without limitation, income tax), if any, arising from the acceptance and vesting of the Shares pursuant to the SGS Award(s) and/or exercising of the ESOS Option(s) under the Scheme shall be borne by the LTIP Participant(s) for his own account and the Company shall not be liable for any one or more of such costs, fees, levies, charges and/or taxes.

29. DISCLOSURES IN ANNUAL REPORT

The Company will make such disclosures in its annual report for as long as the Scheme continues in operation as from time to time required by the Main Market Listing Requirements including (where applicable) a statement by the audit committee verifying that the allocation of Shares pursuant to the Scheme is in compliance with the criteria for allocation.

30. WINDING UP

All outstanding ESOS Options and SGS Awards shall be automatically terminated in the event that a resolution is passed or a court order is made for the winding up of the Company.

31. SEVERABILITY

If any time any term, condition, stipulation or provision in these By-laws is or becomes illegal, void, prohibited or unenforceable in any respect, the same shall be ineffective to the extent of such illegality, voidness, prohibition or unenforceability without invalidating the remaining provisions hereof, and any such illegality, voidness, prohibition or unenforceability shall not invalidate or render illegal, void or unenforceable any other term, condition, stipulation and provision herein contained.

32. GOVERNING LAW AND JURISDICTION

32.1. These By-laws shall be governed by and construed in accordance with the laws of Malaysia and the LTIP Participant shall submit to the exclusive jurisdiction of the Courts of Malaysia in all matters connected with the obligations and liabilities of the parties hereto under or arising out of these By-laws.

32.2. Any proceeding or action shall be instituted or taken in Malaysia and the LTIP Participant irrevocably and unconditionally waives any objection on the ground of venue or forum non-convenience or any other grounds.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

32.3. Any LTIP Award made to Eligible Persons pursuant to the Scheme shall be valid strictly in Malaysia only unless specifically mentioned otherwise by the LTIP Committee in the LTIP Award.

33. NOTICE

33.1. Any notice or request which the Company is required to give, or may desire to give, to any Eligible Person or the LTIP Participant pursuant to the Scheme shall be in writing and shall be deemed to be sufficiently given:

- (a) if it is sent by ordinary post by the Company to the Eligible Person or the LTIP Participant at the last address known to the Company as being his/her address, such notice shall be deemed to have been received three (3) Market Days after posting;
- (b) if it is given by hand to the Eligible Person or the LTIP Participant, such notice or request shall be deemed to have been received on the date of delivery; and
- (c) if it is sent by electronic media, including but not limited to electronic mail, to the Eligible Person or the LTIP Participant, such notice or request shall be deemed to have been received upon confirmation or notification received after the sending of notice or request by the Company.

Any change of address of the Eligible Person or the LTIP Participant shall be communicated in writing to the Company and the LTIP Committee.

33.2. Any certificate, notification, correspondence or other notice required to be given to the Company or the LTIP Committee shall be properly given if in writing and sent by electronic mail, registered post or delivered by hand (with acknowledgement of receipt) to the Company at its Registered Office or any other business address which may be notified in writing by the LTIP Committee from time to time.

33.3. Notwithstanding By-law 33.1, where any notice is required to be given by the Company or the LTIP Committee under these By-laws in relation to matters which may affect all the Eligible Persons or LTIP Participants, as the case may be, the Company or the LTIP Committee may give notice through an announcement to all employees of the Group to be made in such manner deemed appropriate by the LTIP Committee. Upon the making of such an announcement, the notice to be made under By-law 33.1 shall be deemed to be sufficiently given, served or made to all affected Eligible Person or LTIP Participants, as the case may be.

PART B: ESOS

34. AWARD OF ESOS OPTIONS

34.1. The LTIP Committee may, at any time during the duration of the Scheme as defined in By-law 6, make ESOS Award(s) in writing to any Eligible Person (based on the criteria of allocation as set out in By-law 8) selected by the LTIP Committee which selection shall be at the absolute discretion of the LTIP Committee.

34.2. The actual number of the Shares which may be offered under the ESOS Award(s) to an Eligible Person shall be at the sole and absolute discretion of the LTIP Committee and, subject to any adjustments that may be made under By-law 13, shall not be less than one hundred (100) Shares but not more than the Maximum Allowable Allocation and shall always be in multiples of one hundred (100) Shares.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

34.3. An ESOS Award may be made upon such terms and conditions as the LTIP Committee may decide from time to time. Each ESOS Award shall be made in writing and is personal to the Eligible Person and is non-assignable and non-transferable.

34.4. The LTIP Committee may state the following particulars in the Award Letter (where applicable):

- (a) the number of ESOS Options that are being offered to the Eligible Person;
- (b) the number of the Shares which the Eligible Person shall be entitled to upon the vesting and exercise of the ESOS Options being offered;
- (c) the LTIP Period;
- (d) the Exercise Period;
- (e) the Exercise Price;
- (f) the Validity Period as defined in By-law 35.1;
- (g) the Vesting Conditions (if any/if applicable);
- (h) the vesting date(s) but in any event such period(s) and date(s) shall not be later than the Date of Expiry;
- (i) any provision on clawback; and
- (j) any other information deemed necessary by the LTIP Committee.

34.5. Without prejudice to By-laws 17 and 18, in the event of an error on the part of the Company in stating any of the particulars referred to in By-law 34.4, the following provisions shall apply:

- (a) within one (1) month after discovery of the error, the Company shall issue a supplemental Award Letter, stating the correct particulars referred to in By-law 34.4;
- (b) in the event that the error relates to particulars other than the Exercise Price, the Exercise Price applicable in the supplemental Award Letter shall remain as the Exercise Price as per the original Award Letter; and
- (c) in the event that the error relates to the Exercise Price, the Exercise Price applicable in the supplemental Award Letter shall be the Exercise Price applicable as at the date of the original Award Letter, save and except with respect to any ESOS Option which have already been exercised as at the date of issue of the supplemental Award Letter.

34.6. Subject to By-law 34, nothing herein shall prevent the LTIP Committee from making more than one (1) LTIP Award to any Eligible Person provided always that the total aggregate number of the Shares which may be offered to any Eligible Person (inclusive of the Shares previously offered under the Scheme, if any) shall not exceed the Maximum Allowable Allocation of that Eligible Person.

34.7. The LTIP Committee has the discretion not to make further additional ESOS Awards.

34.8. The ESOS Awards shall automatically lapse and be null and void in the event of the death of the Eligible Person prior to the acceptance of the ESOS Awards by the Eligible Person in the manner set out in By-law 35.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

- 34.9. After each adjustment following an alteration of the Company's share capital as stipulated in By-laws 13.1 and 13.2 and the Company informing the ESOS Participant of such adjustment pursuant to By-law 13.8, upon the return by an ESOS Participant of the original Award Letter to the Company, that letter shall be amended or a new Award Letter shall be issued within one (1) month from the date of return of the original Award Letter, to reflect the adjustment made to the number of ESOS Options granted to the ESOS Participant and/or the Exercise Price.
- 34.10. The LTIP Committee may, by giving notice in writing to the Eligible Person, vary or waive the terms of any Vesting Condition, performance period, service period, vesting period or other conditions.
- 34.11. The Company shall keep and maintain at its own expense a register of ESOS Participants and shall enter the names, addresses and identity card numbers of the ESOS Participants, the Maximum Allowable Allocation, the number of ESOS Options offered, the number of ESOS Options exercised, the ESOS Award Date and the Exercise Price and other particulars as may be prescribed under Section 129 of the Act.
- 34.12. For the avoidance of doubt, there shall be no legal, equitable or other obligation whatsoever on the part of the LTIP Committee to consider making, or to make, any ESOS Award to any or all of the Eligible Persons.
- 34.13. Each vested ESOS Option shall be exercisable into one (1) Share, fully issued and paid-up, in accordance with the provisions of these By-laws.
- 34.14. In the event the LTIP Committee decides that the ESOS Option is to be offered in tranches, the number of ESOS Options to be offered in each ESOS Award shall be decided by the LTIP Committee at its sole and absolute discretion and each ESOS Award shall be separate and independent from the others.

35. ACCEPTANCE OF THE AWARD

- 35.1. An ESOS Award shall be valid for a period of thirty (30) days from the ESOS Award Date or such period as the LTIP Committee at its discretion, determines on a case-to-case basis (“**Validity Period**”). Acceptance of the said ESOS Award by an Eligible Person shall be made by way of a written notice from the Eligible Person to the LTIP Committee in the form prescribed by the LTIP Committee and accompanied by the payment of Ringgit Malaysia One (RM1.00) only as non-refundable consideration for the acceptance of each ESOS Award (regardless of the number of shares comprised therein).
- 35.2. In the event that the Eligible Person fails to accept the ESOS Award or pay the acceptance consideration as set out in By-law 35.1 within the Validity Period and in the manner aforesaid, or in the event of death or the Eligible Person becomes a bankrupt prior to his/her acceptance of the ESOS Award(s), the said ESOS Award shall be deemed to have lapsed. The ESOS Option(s) comprised in such ESOS Award(s) may, at the discretion of the LTIP Committee, be re-offered to other Eligible Person.
- 35.3. Upon acceptance of the ESOS Award(s) by the Eligible Person(s), the ESOS Award(s) will be vested to the ESOS Participant(s) on the ESOS vesting date during the duration of the Scheme, subject to the ESOS Participant(s) fulfilling the Vesting Condition(s), if any, as determined by the LTIP Committee.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

36. EXERCISE PRICE

- 36.1. The Exercise Price of each Share comprised in any ESOS Option shall be determined by LTIP Committee at its discretion, which shall be binding and conclusive, at a premium over the volume weighted average market price of the Shares for the five (5) Market Days immediately preceding the ESOS Award Date, with a discount of not more than 10%.
- 36.2. The Exercise Price shall be subject to any adjustments provided under By-law 13.

37. VESTING CONDITIONS

- 37.1. Subject to By-laws 6, 7 and 37.2, the ESOS Option(s) or such part thereof will only vest to the ESOS Participant on the vesting date(s) if:
 - (a) the ESOS Participant remains in employment by or appointment in the Group as at the vesting date; and
 - (b) the other Vesting Conditions (if any) are fully and duly satisfied.
- 37.2. The LTIP Committee shall have the discretion to determine whether any Vesting Condition has been satisfied (whether fully or partially) or exceeded and in making any such determination, the LTIP Committee shall have the right to make reference to (among others) the audited consolidated results of the Company, to take into account such factors as the LTIP Committee may determine to be relevant, such as changes in accounting methods, taxes and extraordinary events, and further, to amend any Vesting Conditions if the LTIP Committee decides that a changed performance target would be a fairer measure of performance.
- 37.3. Where the LTIP Committee has made the determination that the Vesting Conditions and all other stipulated conditions have been fulfilled (whether fully or partially) pursuant to the ESOS Option, the LTIP Committee shall notify the ESOS Participant of the number of ESOS Options vested and the vesting date of such ESOS Option. No ESOS Participant shall have any right to exercise any ESOS Options granted to the ESOS Participant until the ESOS Options are vested on the ESOS Participant pursuant to these By-laws. The decision and/or determination of the LTIP Committee on the vesting of the ESOS Option on the ESOS Participant pursuant to these By-laws shall be final and conclusive.
- 37.4. Unless otherwise determined by the LTIP Committee if the Vesting Conditions are not fulfilled in accordance with the period as set out in the Award Letter, that ESOS Option(s) shall lapse and be of no value.
- 37.5. Unless otherwise determined by the LTIP Committee but subject to the applicable laws, the unvested ESOS Award shall automatically lapse and be null and void in the event of the death of the ESOS Participant.

38. EXERCISE OF ESOS OPTIONS

- 38.1. For the purpose of exercising the ESOS Option:
 - (a) Except as otherwise determined by the LTIP Committee but subject to the applicable laws, the ESOS Option shall be exercisable during the ESOS Participant's lifetime only by the ESOS Participant or, in the event of the ESOS Participant's legal incapacity to do so, the ESOS Participant's guardian or legal representative acting on behalf of the ESOS Participant in a fiduciary capacity under the applicable laws and any required court supervision or, in the case of disability or death of the ESOS Participant, by his legal representative or his estate in accordance with By-law 38.1(b).

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

(b) In the event of death of the ESOS Participant, the legal representative of the deceased ESOS Participant may, during the Exercise Period, exercise the ESOS Options which have vested in the deceased ESOS Participant under the Scheme provided that the transmission of the ESOS Options from the deceased ESOS Participant to the legal representative of the deceased ESOS Participant must be approved by the LTIP Committee within the period of six (6) months (or such other longer period as the LTIP Committee may determine as its discretion) from the event of death.

38.2. Subject to By-laws 38.3 and 38.8, an ESOS Option can be exercised by the ESOS Participant by notice in the prescribed form to the Company on the first (1st) or fifteenth (15th) day of every month during the Exercise Period in respect of all or any part of the Shares comprised in the ESOS Option, such part being in multiples of one hundred (100) Shares. For the avoidance of doubt, if the first (1st) or fifteenth (15th) day of any month shall fall on a day which is not a Market Day, then the notice in writing by the ESOS Participant to the Company shall be submitted on the Market Day immediately following the first (1st) or fifteenth (15th) day of the said month. Any partial exercise of an ESOS Option shall not preclude the ESOS Participant from exercising the ESOS Option in respect of the balance of the Shares comprised in the ESOS Option. In the event that an ESOS Participant's balance of ESOS Option(s) exercisable in accordance with these By-laws shall be less than one hundred (100) new Shares, the said balance shall, if exercised, be exercised in a single tranche.

38.3. Subject to By-laws 13 and 17, the LTIP Committee may, at any time and from time to time, before and after an ESOS Option is granted, limit the exercise of the ESOS Option to a maximum number of the Shares and/or such percentage of the total Shares comprised in the ESOS Option during such periods within the LTIP Period, subject to the exercise of the ESOS Option to any Vesting Condition determined by the LTIP Committee at its sole and absolute discretion including but not limited to performance/service targets being achieved before an ESOS Option(s) can be exercised and/or impose any other terms and/or conditions (including the time period to exercise the ESOS Option) as the LTIP Committee may, in its sole discretion deem appropriate including amending or varying any terms or conditions imposed earlier.

38.4. Every such notice to exercise the ESOS Option referred to in By-law 38.2 shall be accompanied by a remittance in RM in the form of a bankers' draft or cashiers' order drawn and payable in Malaysia or any other from acceptable to the LTIP Committee for the full amount of subscription monies (calculated in accordance with the provisions of By-law 38) in relation to the number of the Shares in respect of which the written notice is given.

38.5. The Company shall allot and issue such new Shares to the ESOS Participant in accordance with the provisions of the Company's Constitution, the Central Depositories Act and the Rules of Bursa Depository, despatch the notice of allotment or transfer to the ESOS Participant and make an application for the listing of and quotation for the new Shares within eight (8) Market Days from the receipt by the Company of the aforesaid notice and remittance from the ESOS Participant.

38.6. The LTIP Committee, the Board and the Company shall not under any circumstances whatsoever be liable for any costs, expenses, charges and damages whatsoever and howsoever arising whether arising directly or indirectly from any delay on the part of the Company in allotting and issuing of the new Shares or in procuring Bursa Securities to list the new Shares for which the ESOS Participant is entitled to subscribe or otherwise.

38.7. The ESOS Participant who exercises his/her ESOS Option shall provide the LTIP Committee with his/her CDS Account number or the CDS Account number of his/her Authorised Nominee, as the case may be, in the notice referred to in By-law 38.2. The Shares to be issued pursuant to the exercise of an ESOS Option will be credited directly into the CDS Account of the ESOS Participant or his/her Authorised Nominee, as the case may be and a notice of allotment stating the number of shares credited into such CDS Account will be issued to the ESOS Participant within eight (8) Market Days from the receipt by the Company of the written notice of exercise of the ESOS Option together with the requisite remittance of monies and no physical share certificate will be issued.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

38.8. In the event that an ESOS Participant is subject to a performance improvement plan ("PIP")/disciplinary proceedings (whether or not such PIP/disciplinary proceedings will give rise to a dismissal or termination of service) the LTIP Committee shall have the right, to suspend the ESOS Participant's ESOS Option from being vested and/or exercised pending the achievement of the stipulated improvement plan targets by the ESOS Participant/the outcome of such disciplinary proceedings. The LTIP Committee may impose such terms and conditions as the LTIP Committee shall deem appropriate having regard to the nature of the PIP/charges made or brought against the ESOS Participant **PROVIDED ALWAYS THAT:**

- (a) in the event that such ESOS Participant shall subsequently achieve the stipulated improvement plan targets/be found not guilty of the charges which give rise to such disciplinary proceedings, the LTIP Committee shall reinstate the rights of such ESOS Participant to be vested and/or to exercise his/her vested ESOS Option;
- (b) in the event the ESOS Participant fails to achieve the stipulated improvement plan targets/discriminatory proceedings result in a recommendation for the dismissal or termination of service of such ESOS Participant, the ESOS Option (whether or not vested) shall immediately cease without notice and be null and void and of no further force and effect upon pronouncement of the dismissal or termination of service of such ESOS Participant notwithstanding that such recommendation may be subsequently challenged by the ESOS Participant in any other forum; and
- (c) in the event such ESOS Participant only partially achieves the stipulated improvement plan targets/is found guilty but not dismissed or termination of service is not recommended, the LTIP Committee shall have the right to determine at its discretion whether or not the ESOS Participant may continue to be vested and/or to exercise his/her ESOS Option and/or adjust such number of ESOS Options to be vested and if so, to impose such limits, terms and conditions as it deems appropriate, on such vesting and/or exercise.

The LTIP Committee may, after a warning/caution letter has been issued to an ESOS Participant by the relevant company within the Group suspend the ESOS Participant's ESOS Option from being vested and/or exercised until such time as the LTIP Committee determines at its discretion whether or not the ESOS Participant may continue to be vested and/or exercise his/her ESOS Option and if so, whether to impose such limits, terms and conditions as the LTIP Committee deems appropriate, on such vesting and/or exercise.

For the purpose of this By-laws, an ESOS Participant shall be deemed to be subject to "disciplinary proceedings" if:

- (i) he/she is suspended from work pending investigation into his/her conduct;
- (ii) he/she is issued with a letter requiring him/her to attend an internal domestic inquiry; or
- (iii) such other instances as the LTIP Committee may deem as being subject to disciplinary proceedings.

38.9. All ESOS Options to the extent unexercised and/or unvested on the expiry or earlier termination of the LTIP Period applicable thereto shall lapse.

38.10. Any failure to comply with the procedures specified by the LTIP Committee or to provide information as required by the Company in the notice to exercise or inaccuracy in the CDS Account number provided shall result in the notice to exercise being rejected at the discretion of the LTIP Committee. The LTIP Committee shall inform the ESOS Participant of the rejection of the notice of exercise within ten (10) Market Days from the date of rejection and the ESOS Participant shall not have deemed to have exercised his/her ESOS Option.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

- 38.11. The Company, the Board and the LTIP Committee shall not under any circumstances be held liable to any person for any costs, losses, expenses, damages or liabilities whatsoever and howsoever arising in the event of any delay on the part of the Company in allotting and issuing or crediting the Shares or in procuring the relevant authorities to list and quote the Shares subscribed for by an ESOS Participant (where applicable) or any delay in receipt or non-receipt by the Company of the notice to exercise the ESOS Options or for any errors in any ESOS Options or any other matters or dealings which are outside the control of the Company, the Board and/or the LTIP Committee.
- 38.12. Every ESOS Option shall be subjected to the condition that no Shares shall be vested, issued and/or credited pursuant to the exercise of an ESOS Option if such vesting, issue and/or crediting would be contrary to any law, enactment, rule and/or regulation of any legislative or non-legislative body which may be in force during the LTIP Period or such period as may be extended.
- 38.13. Notwithstanding anything to the contrary herein contained, the LTIP Committee shall at any time during the LTIP Period have the sole and absolute discretion to determine whether to purchase all but not part of the vested but unexercised ESOS Options from an ESOS Participant. The price payable for the purchase shall be:
 - (a) the 3-month weighted average market price of the Shares immediately before the date of the notice of the purchase in excess of the Exercise Price for each vested but unexercised ESOS Options held by the ESOS Participant; or
 - (b) RM1.00 for all vested but unexercised ESOS Options held by the ESOS Participant, whichever is the higher.

Upon completion of the purchase of the vested but unexercised ESOS Options from the ESOS Participant all vested but unexercised ESOS Options purchased and all unvested ESOS Options held by that ESOS Participant shall lapse.

PART C: SGS

39. SGS AWARDS

- 39.1. The LTIP Committee may, at any time during the duration of the Scheme as defined in By-law 6, grant an SGS Award(s) in writing to any Eligible Person (based on the criteria of allocation as set out in By-law 8) selected by the LTIP Committee which selection shall be at the absolute discretion of the LTIP Committee.
- 39.2. The actual number of the Shares which may be offered under the SGS Award(s) to an Eligible Person shall be at the sole and absolute discretion of the LTIP Committee and, subject to any adjustments that may be made under By-law 13, shall not be less than one hundred (100) Shares but not more than the Maximum Allowable Allocation and shall always be in multiples of one hundred (100) Shares.
- 39.3. A SGS Award may be made upon such terms and conditions as the LTIP Committee may decide from time to time. Each SGS Award shall be made in writing and is personal to the Eligible Person and is non-assignable and non-transferable.
- 39.4. The LTIP Committee may state the following particulars in the Award Letter (where applicable):
 - (a) the number of the Shares to be granted to the Eligible Person;

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

- (b) the LTIP Period;
- (c) the SGS Award Date;
- (d) the Vesting Conditions (if any/if applicable);
- (e) vesting date(s) but in any event such period(s) and date(s) shall not be later than the Date of Expiry; and
- (f) any provision on clawback; and
- (g) any other information deemed necessary by the LTIP Committee.

39.5. The LTIP Committee shall notify each SGS Participant of the SGS Award of such performance targets, performance period, service period, vesting period, Vesting Conditions, vesting date(s) or such other conditions to be stipulated by the LTIP Committee and the number of the Shares vested onto him/her on the vesting dates PROVIDED THAT there may be excluded from such notice any information the disclosure of which the LTIP Committee shall reasonably consider would prejudice confidentiality.

39.6. Without prejudice to By-laws 17 and 18, in the event of an error on the part of the Company in stating any of the particulars referred to in By-laws 39.4 and/or 39.5, the Company shall, to the extent permitted by law, issue a supplemental Award Letter, stating the correct particulars referred to in By-laws 39.4 and/or 39.5 within one (1) month after discovery of the error.

39.7. Subject to By-law 39, nothing herein shall prevent the LTIP Committee from making more than one (1) SGS Award to any Eligible Person PROVIDED ALWAYS THAT the total aggregate number of the Shares which may be offered to any Eligible Person (inclusive of the Shares previously offered under the Scheme, if any) shall not exceed the Maximum Allowable Allocation of that Eligible Person.

39.8. The LTIP Committee has the discretion not to make further additional SGS Awards.

39.9. The SGS Awards shall automatically lapse and be null and void in the event of the death of the Eligible Person prior to the acceptance of the SGS Awards by the Eligible Person in the manner set out in By-law 40.

39.10. After each adjustment following an alteration of the Company's share capital as stipulated in By-laws 13.1 and 13.2 and the Company informing the SGS Participant of such adjustment pursuant to By-law 13.5, upon the return by an SGS Participant of the original Award Letter to the Company, that letter shall be amended or a new Award Letter shall be issued within one (1) month from the date of return of the original Award Letter, to reflect the adjustment made to the number of the Shares granted to the SGS Participant.

39.11. The LTIP Committee may, by giving notice in writing to the Eligible Person, vary or waive the terms of any Vesting Condition, performance period, service period, vesting period or other conditions.

39.12. For the avoidance of doubt, there shall be no legal, equitable or other obligation whatsoever on the part of the LTIP Committee to consider making, or to make, any SGS Award to any or all of the Eligible Persons.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

40. ACCEPTANCE OF THE SGS AWARD

- 40.1. A SGS Award shall be valid for a period of thirty (30) days from the SGS Award Date or such period as the LTIP Committee at its discretion, determines on a case-to-case basis (“**Validity Period**”). Acceptance of the said SGS Award by an Eligible Person shall be made by way of a written notice from the Eligible Person to the LTIP Committee in the form prescribed by the LTIP Committee and accompanied by the payment of Ringgit Malaysia One (RM1.00) only as non-refundable consideration for the acceptance of each SGS Award (regardless of the number of shares comprised therein).
- 40.2. In the event that the Eligible Person fails to accept the SGS Award or pay the acceptance consideration as set out in By-law 40.1 within the Validity Period and in the manner aforesaid, or in the event of death or the Eligible Person becomes a bankrupt prior to his/her acceptance of the SGS Award(s), the said SGS Award shall be deemed to have lapsed. The Shares comprised in such SGS Award(s) may, at the discretion of the LTIP Committee, be re-offered to other Eligible Person.
- 40.3. Upon acceptance of the SGS Award(s) by the Eligible Person(s), the SGS Award(s) will be vested to the SGS Participant(s) on the SGS vesting date during the duration of the Scheme, subject to the SGS Participant(s) fulfilling the vesting condition(s), if any, as determined by the LTIP Committee.

41. VESTING CONDITIONS

- 41.1. Subject to By-laws 6, 7 and 42.1, the Shares comprised in the SGS Award or such part thereof will only vest to the SGS Participant on the vesting date(s) if:
 - (a) the SGS Participant remains in employment with the Group as at the vesting date; and
 - (b) the other Vesting Conditions (if any) are fully and duly satisfied.
- 41.2. The LTIP Committee shall have the discretion to determine whether any Vesting Condition has been satisfied (whether fully or partially) or exceeded, and in making any such determination, the LTIP Committee shall have the right to make reference to (among others) the audited consolidated results of the Company, to take into account such factors as the LTIP Committee may determine to be relevant, such as changes in accounting methods, taxes and extraordinary events, and further, to amend any Vesting Conditions if the LTIP Committee decides that a changed performance target would be a fairer measure of performance.
- 41.3. Where the LTIP Committee has made the determination that the Vesting Conditions and all other stipulated conditions have been fulfilled (whether fully or partially) pursuant to the SGS Award, the LTIP Committee shall notify the SGS Participant of the number of the Shares vested or which will be vested to the SGS Participant on the vesting date of such Shares. No SGS Participant shall have any right to or interest in the Shares granted to him unless and until the Shares are vested in him on and with effect from the date of vesting of the said Shares. The decision and/or determination of the LTIP Committee on the vesting of the Shares on the SGS Participant pursuant to these By-laws shall be final and conclusive.
- 41.4. Unless otherwise determined by the LTIP Committee if the Vesting Conditions are not fulfilled in accordance with the period as set out in the Award Letter, that SGS Award shall lapse and be of no value.
- 41.5. For the avoidance of doubt, the Shares will vest with the SGS Participants at no cost to the SGS Participants upon acceptance of the SGS Award by the SGS Participants and fulfilment of the Vesting Conditions and all other conditions as stipulated By-law 41.2 (if any).

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

41.6. Unless otherwise determined by the LTIP Committee but subject to the applicable laws, the SGS Award shall automatically lapse and be null and void in the event of the death of the SGS Participant.

42. DELIVERY OF THE SHARES

42.1. In respect of the Shares which are vested onto a SGS Participant pursuant to By-law 41, the Company shall as soon as reasonably practicable following the date of vesting:

- (a) credit such Shares to the SGS Participant's CDS Account in accordance with the provisions of the Company's Constitution, the Central Depositories Act and the Rules of Bursa Depository, despatch the notice stating such number of the Shares credited into the CDS Account of the SGS Participant. Where new Shares are to be allotted and issued following the vesting, the Company shall allot and issue and/or transfer such Shares to the SGS Participant in accordance with the provisions of the Company's Constitution, the Central Depositories Act and the Rules of Bursa Depository, despatch the notice of allotment or transfer to the SGS Participant and make an application for the listing of and quotation for the new Shares; or
- (b) remit the cash equivalent to the weighted average market price of the Shares for the five (5) Market Days immediately preceding the SGS Award Date to the Eligible Persons.

42.2. The LTIP Committee, the Board and the Company shall not under any circumstances whatsoever be liable for any costs, expenses, charges and damages whatsoever and howsoever arising whether arising directly or indirectly from any delay on the part of the Company in crediting the Shares.

42.3. The SGS Participant shall provide the LTIP Committee with his/her CDS Account number or the CDS Account number of his/her Authorised Nominee, as the case may be. The Shares to be credited pursuant to the vesting will be credited directly into the CDS Account of the SGS Participant or his/her Authorised Nominee, as the case may be and a notice stating the number of shares credited into such CDS Account will be issued to the SGS Participant and no physical share certificate will be issued.

42.4. In the event that a SGS Participant is subject to a PIP/disciplinary proceedings (whether or not such PIP/disciplinary proceedings will give rise to a dismissal or termination of service) the LTIP Committee shall have the right, to suspend the SGS Participant's SGS Award from being vested pending the achievement of the stipulated improvement plan targets by the SGS Participant/the outcome of such disciplinary proceedings. The LTIP Committee may impose such terms and conditions as the LTIP Committee shall deem appropriate having regard to the nature of the PIP/charges made or brought against the SGS Participant **PROVIDED ALWAYS THAT:**

- (a) in the event that such SGS Participant shall subsequently achieve the stipulated improvement plan targets/be found not guilty of the charges which give rise to such disciplinary proceedings, the LTIP Committee shall reinstate the rights of such SGS Participant to continue to hold or be vested his/her SGS Award;
- (b) in the event the SGS Participant fails to achieve the stipulated improvement plan targets/disciplinary proceedings result in a recommendation for the dismissal or termination of service of such SGS Participant, the SGS Award shall immediately cease without notice and be null and void and of no further force and effect upon pronouncement of the dismissal or termination of service of such SGS Participant notwithstanding that such recommendation may be subsequently challenged by the SGS Participant in any other forum; and

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

(c) in the event such SGS Participant only partially achieves the stipulated improvement plan targets/is found guilty but not dismissed or termination of service is not recommended, the LTIP Committee shall have the right to determine at its discretion whether or not the SGS Participant may continue hold or be vested his/her SGS Award and/or adjust such number of SGS Awards to be vested and if so, to impose such limits, terms and conditions as it deems appropriate, on such vesting.

The LTIP Committee may, after a warning /caution letter has been issued to a SGS Participant by the relevant company within the Group suspend the SGS Participant's SGS Award from being vested until such time as the LTIP Committee determines at its discretion whether or not the SGS Participant may continue to be vested the Shares under his/her SGS Award and if so, whether to impose such limits, terms and conditions as the LTIP Committee deems appropriate, on such vesting.

For the purpose of this By-laws, an SGS Participant shall be deemed to be subject to "disciplinary proceedings" if:

- (i) he/she is suspended from work pending investigation into his/her conduct;
- (ii) he/she is issued with a letter requiring him/her to attend an internal domestic inquiry; or
- (iii) such other instances as the LTIP Committee may deem as being subject to disciplinary proceedings.

42.5. All SGS Awards to the extent unvested on the expiry or earlier termination of the LTIP Period applicable thereto shall lapse.

42.6. The Company, the Board and the LTIP Committee shall not under any circumstances be held liable to any person for any costs, losses, expenses, damages or liabilities whatsoever and howsoever arising in the event of any delay on the part of the Company in crediting the Shares or in procuring the relevant authorities to list and quote the Shares subscribed for by a SGS Participant (where applicable) or any delay in receipt or non-receipt by the Company of the notice or for any errors in any SGS Awards or any other matters or dealings which are outside the control of the Company, the Board and/or the LTIP Committee.

42.7. Every SGS Award shall be subjected to the condition that no Shares shall be vested and/or credited pursuant to a SGS Award if such vesting and/or crediting would be contrary to any law, enactment, rule and/or regulation of any legislative or non-legislative body which may be in force during the LTIP Period or such period as may be extended.

THE SCHEDULE

In addition to By-law 13.1 and not in derogation thereof, the Exercise Price and the number of the Shares relating to the ESOS Option so far unvested and/or unexercised and/or relating to an SGS Award in so far as unvested shall from time to time be adjusted by the LTIP Committee in accordance with the following relevant provisions in consultation with an Adviser and/or an auditor:

(a) If and whenever a Share by reason of any consolidation or subdivision (including if so permitted by the relevant authorities, a subdivision by way of a bonus issue by the Company of the Shares without capitalisation of profits or reserves) or conversion occurs, the Exercise Price shall be adjusted and the adjusted number of the Shares relating to the ESOS Option/SGS Award (where applicable) to be issued or transferred shall be calculated in accordance with the following formula:

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

$$(i) \quad \text{New Exercise Price} = \frac{S \times L}{M}$$

$$(ii) \quad \text{Additional number of the Shares} = \frac{T \times M}{L} - T$$

where:

L = the aggregate number of the Shares in issue and fully paid-up immediately prior to the consolidation or subdivision or conversion;

M = the aggregate number of the Shares in issue and fully paid-up immediately after such consolidation or subdivision or conversion;

S = existing Exercise Price; and

T = Existing number of the Shares relating to the ESOS Option/SGS Award.

Each such adjustment will be effective from the day on which the consolidation or subdivision or conversion becomes effective.

(b) If whenever the Company shall make any issue of the Shares to ordinary shareholders for which no consideration is payable or which are credited as fully paid, by way of capitalisation of profits or reserves (other than an issue of Shares to its members who had an option to take cash or other dividend in lieu of the relevant Shares), the Exercise Price shall be adjusted by multiplying it by the following fraction:

$$\frac{A}{(A + B)}$$

and the adjusted number of the Shares relating to the additional number of the Shares to be vested and transferred under the SGS Award shall be calculated as follows:

$$\text{Additional number of the Shares} = \frac{T \times (A + B)}{A} - T$$

where

A = the aggregate number of issued and fully paid-up Shares on the Entitlement Date immediately before such capitalisation;

B = the aggregate number of the Shares to be issued pursuant to any allotment to ordinary shareholders credited as fully paid by way of capitalisation of profits or reserves (other than an issue of Shares to its members who had an option to take cash or other dividend in lieu of the relevant Shares);

S = as above.

T = as above.

Each such adjustment will be effective (if appropriate retroactively) from the commencement of the next Market Day immediately following the Entitlement Date for such issue.

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

(c) If and whenever the Company shall make:

- (i) a Capital Distribution (as defined below) to ordinary shareholders whether on a reduction of capital or otherwise (save and except any capital reduction involving the cancellation of capital which is lost or unrepresented by available assets or involving any purchase by the Company of its own Shares in accordance with the Companies Act 2016 (Act 777) and all other applicable laws and regulations); or
- (ii) any offer or invitation to its ordinary shareholders whereunder they may acquire or subscribe for the Shares by way of rights; or
- (iii) any offer or invitation to its ordinary shareholders by way of rights whereunder they may acquire or subscribe for securities convertible into the Shares or securities with rights to acquire or subscribe for the Shares,

then and in respect of each such case, the Exercise Price shall be adjusted by multiplying it by the following fraction:

$$\frac{C - D}{C}$$

and in respect of the case referred to in Clause (c)(ii) above, the adjusted number of the Shares comprised in the ESOS Option to be issued/the adjusted number of the Shares to be vested and transferred under a SGS Award shall be calculated as follows:

$$\text{Adjusted Number of the Shares} = \left[\frac{T \times C}{C - D^*} \right]$$

where

T = as above;

C = the Current Market Price of each Share on the Market Day immediately preceding the date on which the Capital Distribution or, as the case may be, the offer or invitation is publicly announced to Bursa Securities or (failing any such announcement) immediately preceding the date of the announcement of the Entitlement Date of the Capital Distribution or, as the case may be, of the offer or invitation; and

D = (i) in the case of an offer or invitation to acquire or subscribe for the Shares by way of rights under Clause (c)(ii) above or for securities convertible into the Shares or securities with rights to acquire or subscribe for the Shares under Clause (c)(iii) above, the value of rights attributable to one (1) Share (as defined below); or
(ii) in the case of any other transaction falling within Clause (c), the fair market value, as determined by the Adviser and/or an auditor, of that portion of the Capital Distribution attributable to one (1) Share.

For the purpose of definition (i) of D above, the “value of the rights attributable to one (1) Share” shall be calculated in accordance with the formula:

$$\frac{C - E}{F + 1}$$

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

where:

C = as C above;

E = the subscription consideration for one (1) additional Share under the terms of such offer or invitation or subscription price for one (1) additional Share upon conversion of the convertible securities or exercise of such rights to acquire or subscribe for one (1) Share under the offer or invitation;

F = the number of the Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one (1) additional Share or security convertible into rights to acquire or subscribe for one (1) additional Share; and

D* = the value of rights attributable to one (1) Share (as defined below).

For the purpose of definition D* above, the “value of rights attributable to one (1) Share” shall be calculated in accordance with the formula:

$$\frac{C - E^*}{F^* + 1}$$

where:

C = as C above;

E* = the subscription price for one (1) additional Share under the terms of such offer or invitation; and

F* = the number of the Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one (1) additional Share.

For the purpose of Clause (c), “Capital Distribution” shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividend) or by way of issue of the Shares (not falling under Clause (b)) or other securities credited as fully or partly paid-up by way of capitalisation of profits or reserves (but excluding an issue of Shares to its members who had an option to take cash or other dividend in lieu of the relevant Shares).

Any distribution out of profits or reserves made (whenever paid) shall be deemed to be a Capital Distribution unless it is paid out of the aggregate of the net profits attributable to the ordinary shareholders as shown in the audited consolidated profit and loss accounts of the Company

Such adjustments will be effective (if appropriate retroactively) from the commencement of the next Market Day immediately following the Effective Date for the above transactions.

(d) If and whenever the Company makes an allotment to its ordinary shareholders as provided in Clause (b) above and also makes an offer or invitation to its ordinary shareholders as provided in Clause (c)(ii) or (iii) above and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the Exercise Price shall be adjusted by multiplying it by the following fraction:

$$\frac{(G \times C) + (H \times I)}{(G + H + B) \times C}$$

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

and where the Company makes an allotment to its ordinary shareholders as provided in Clause (b) above and also makes an offer or invitation to its ordinary shareholders as provided in Clause (c)(ii) above and the entitlement date for the purpose of the allotment is also the book closure date for the purpose of the offer or invitation, the adjusted number of the Shares relating to the ESOS Option to be issued/the Shares to be vested and transferred under the SGS Award shall be calculated as follows:

$$\text{Adjusted Number of the Shares (ESOS Option)} = \frac{T \times (G + H^* + B) \times C}{(G \times C) + (H^* \times I^*)}$$

$$\text{Adjusted Number of the Shares (SGS Award)} = \frac{T \times (G + H + B) \times C}{(G \times C) + (H \times I)}$$

where:

B = as B above;

C = as C above;

G = the aggregate number of issue and fully paid-up Shares on the Entitlement Date;

H = the aggregate number of new Shares under an offer or invitation to acquire or subscribe for the Shares by way of rights or under an offer or invitation by way of rights to acquire or subscribe for securities convertible into the Shares or rights to acquire or subscribe for the Shares, as the case may be;

H* = the aggregate number of new Shares under an offer or invitation to acquire or subscribe for the Shares by way of rights;

I = the subscription price of one (1) additional Share under the offer or invitation to acquire or subscribe for the Shares or the exercise price on conversion of such securities or exercise of such rights to acquire or subscribe for one (1) additional Share, as the case may be;

I* = the subscription price of one (1) additional Share under the offer or invitation to acquire or subscribe for the Shares; and

T = as T above.

Such adjustment will be effective (if appropriate retroactively) from the commencement of the next Market Day immediately following the Entitlement Date for such issue.

(e) If and whenever the Company makes any offer or invitation to its ordinary shareholders to acquire or subscribe for the Shares as provided in Clause (c)(ii) above together with an offer or invitation to acquire or subscribe for securities convertible into or rights to acquire or subscribe for ordinary shareholders as provided in Clause (c)(iii) above, the Exercise Price shall be adjusted by multiplying it by the following fraction:

$$\frac{(G \times C) + (H \times I) + (J \times K)}{(G + H + J) \times C}$$

and the adjusted number of the Shares relating to the ESOS Option to be issued/the Shares to be vested and transferred under the SGS Award shall be calculated as follows:

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

$$\text{Adjusted Number of the Shares (ESOS Option)} = \frac{T \times (G + H^*) \times C}{(G \times C) + (H^* \times I^*)}$$

$$\text{Adjusted Number of the Shares (SGS Award)} = \frac{T \times (G + H + J) \times C}{(G \times C) + (H \times I) + (J \times K)}$$

where:

C = as C above;

G = as G above;

H = as H above;

H* = as H* above;

I = as I above;

I* = as I* above;

J = the aggregate number of the Shares to be issued to its ordinary shareholders upon conversion of such securities or exercise of such rights to subscribe for the Shares by the ordinary shareholders;

K = the exercise price on conversion of such securities or exercise of such rights to acquire or subscribe for one (1) additional Share; and

T = as T above.

Such adjustment will be effective (if appropriate retroactively) from the commencement of the next Market Day immediately following the Entitlement Date for the above transactions.

(f) If and whenever the Company makes an allotment to its ordinary shareholders as provided in Clause (b) above and also makes an offer or invitation to acquire or subscribe for the Shares to its ordinary shareholders as provided in Clause (c)(ii) above, together with rights to acquire or subscribe for the Shares as provided in Clause (c)(iii) above, and the book closure date for the purpose of allotment is also the book closure for the purpose of the offer or invitation, the Exercise Price shall be adjusted by multiplying it by the following fraction:

$$\frac{(G \times C) + (H \times I) + (J \times K)}{(G + H + J + B) \times C}$$

and the adjusted number of the Shares relating to the ESOS Option to be issued/the Shares to be vested and transferred under the SGS Award shall be calculated as follows:

$$\text{Adjusted Number of the Shares (ESOS Option)} = \frac{T \times (G + H^* + B) \times C}{(G \times C) + (H^* \times I^*)}$$

$$\text{Adjusted Number of the Shares (SGS Award)} = \frac{T \times (G + H + J + B) \times C}{(G \times C) + (H \times I) + (J \times K)}$$

where:

B = as B above;

C = as C above;

G = as G above;

H = as H above;

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

H* = as H* above;
I = as I above;
I* = as I* above;
J = as J above;
K = as K above; and
T = as T above.

Such adjustment will be effective (if appropriate retroactively) from the commencement of the next Market Day immediately following the Entitlement Date for the above transaction.

(g) If and whenever (otherwise than pursuant to a rights issue available to all ordinary shareholders and requiring an adjustment under Clauses (c)(ii), (c)(iii), (d), (e) or (f) above), the Company shall issue either any Shares or any securities convertible into new Shares or with rights to acquire or subscribe for the Shares, and in any such case, the Total Effective Consideration per Share (as defined below) is less than 90% of the Average Price (as defined below) for one (1) Share or, as the case may be, the price at which the Shares will be issued upon conversion of such securities or exercise of such rights is determined, the Exercise Price for the ESOS Award(s) shall be adjusted by multiplying it by the following fraction:

$$\frac{L + M}{L + N}$$

where:

L = the number of the Shares in issue at the close of business on Bursa Securities on the Market Day immediately preceding the date on which the relevant adjustment becomes effective;
M = the number of the Shares which the Total Effective Consideration (as defined below) would have purchased at the Average Price (as defined below) (exclusive of expenses); and
N = the aggregate number of the Shares so issued or, in the case of securities convertible into the Shares or securities with rights to acquire or subscribe for the Shares, the maximum number (assuming no adjustment of such rights) of the Shares issuable upon full conversion of such securities or the exercise in full of such rights.

For the purpose of this paragraph (g), the "Total Effective Consideration" shall be determined by the LTIP Committee with the concurrence of the external auditors shall be:

- (i) in the case of the issue of the Shares, the aggregate consideration receivable by the Company on payment in full for such Shares; or
- (ii) in the case of the issue by the Company of securities wholly or partly convertible into new Shares, the aggregate consideration receivable by the Company on payment in full for such securities or such part of the securities as is convertible together with the total amount receivable by the Company upon full conversion of such securities (if any); or
- (iii) in the case of the issue by the Company of securities with rights to acquire or subscribe for the Shares, the aggregate consideration attributable to the issue of such rights together with the total amount receivable by the Company upon full exercise of such rights;

APPENDIX I – PROPOSED BY-LAWS FOR THE PROPOSED LTIP (CONT'D)

in each case without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the "Total Effective Consideration per Share" shall be the Total Effective Consideration divided by the number of new Shares issued as aforesaid or, in the case of securities convertible into new Shares or securities with rights to acquire or subscribe for new Shares, by the maximum number of new Shares issuable on full conversion of such securities or in full of such rights.

For the purpose of this paragraph (g), "Average Price" of a Share shall be the average market price of one (1) Share as derived from the last traded prices for one (1) or more board lots of Shares as quoted on Bursa Securities on the Market Days comprised in the period used as a basis upon which the issue price of such Shares is determined. Such adjustment will be calculated (if appropriate retroactively) from the close of business on Bursa Securities on the Market Day immediately following the date on which the issue is announced, or (failing any such announcement) on the Market Day immediately following the date on which the Company determines the subscription price of such Shares. Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day immediately following the completion of the above transaction.

(h) For the purpose of this Schedule:

(i) "Current Market Price" means in relation to each Share for any relevant day the five (5) day volume weighted average market price for each Share on Bursa Securities for the five (5) consecutive Market Days before such date for one or more board lots of Shares on Bursa Securities or in such other manner as may from time to time be stipulated in any guidelines prescribed by any competent authorities, if any.

(The remainder of this page is intentionally left blank)

APPENDIX II – FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

Our Directors have seen and approved this Circular, and they collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm that after making all reasonable enquiries and to the best of their knowledge, there are no false or misleading statements contained in this Circular or other facts, the omission of which would make any statement in this Circular false or misleading.

2. CONSENT AND CONFLICT OF INTEREST

2.1 MBSB IB

MBSB IB, being our Principal Adviser for the Proposed LTIP, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which it appears in this Circular.

MBSB Group is involved in diversified financial activities. We have engaged MBSB IB to act as our Principal Adviser for the Proposed LTIP on the premise that the businesses of the MBSB Group are generally acting independently of each other.

MBSB is the holding company of MIDF Berhad and MBSB IB is a wholly-owned subsidiary of MIDF Berhad.

Notwithstanding the above, we are of the view that the appointment of MBSB IB as the Principal Adviser to our Company in relation to the Proposed LTIP will not give rise to any conflict of interest situation or any conflict of interest situation is likely to exist in view of the following:

- (i) MBSB IB is a licensed investment bank and its appointment as the Principal Adviser for the Proposed LTIP is in the ordinary course of its business (i.e. the provision of corporate advisory services with respect to the regulatory requirements for the Proposed LTIP). MBSB IB does not have any interest in the Proposed LTIP other than as the Principal Adviser based on the terms of engagement which are mutually agreed between both parties. Further, MBSB IB does not receive or derive any financial interest or benefit, save for the professional fees received in relation to its appointment as the Principal Adviser for the Proposed LTIP;
- (ii) The conduct of our Group's business is regulated by the Financial Services Act, 2013, Islamic Financial Services Act, 2013 and the Capital Markets and Services Act, 2007 as well as our Group's own internal controls and checks;
- (iii) The Corporate Finance division of MBSB IB is required under its investment banking licence to comply with strict policies and guidelines issued by the Securities Commission Malaysia, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, among others, the establishment of Chinese Wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations; and

APPENDIX II – FURTHER INFORMATION (CONT'D)

(iv) The Proposed LTIP will be undertaken in accordance with the By-Laws. The LTIP Committee will be responsible to administer the Proposed LTIP in accordance with the By-Laws. Further, the LTIP Committee, subject to the approval of our Board, will make the Offers accordingly to the Eligible Persons subject to the terms and conditions of the By-Laws.

Save for the above, MBSB IB is not aware of any existing or potential conflict of interest, or any circumstance that would give rise to a conflict of interest, by virtue of its role as our Principal Adviser for the Proposed LTIP.

2.2 Towers Watson (Malaysia) Sdn Bhd

Towers Watson (Malaysia) Sdn Bhd, being our Scheme Adviser for the Proposed LTIP, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

Towers Watson (Malaysia) Sdn Bhd has confirmed that, no conflict of interest exists or is likely to exist in its capacity as the Scheme Adviser for the Proposed LTIP.

3. MATERIAL COMMITMENTS AND CONTINGENCIES

Save as disclosed below, as at 30 September 2025, being the latest practicable date of which such amount is publicly available before the printing of this Circular, there are no other material commitments and contingencies incurred or known to be incurred by our Group which may, upon being enforceable, have a material adverse effect on our business or our Group's consolidated statement of financial position:

	Principal amount RM'000
Direct credit substitutes	76,628
Trade-related contingencies	170,615
Short term self liquidating trade related contingencies	2,025,223
Irrevocable commitments to extend credit:	
- one year or less	2,866,108
- over one year to five years	2,196,300
- over five years	732,091
Foreign exchange related contracts*	
- one year or less	1,379,525
Profit rate related contracts with an original maturity of:	
- over one year to five years	100,000
Total	9,546,490

Note:

* Foreign related contracts represents the notional amount of the derivative financial instruments recognised as derivative assets/liabilities.

APPENDIX II – FURTHER INFORMATION (CONT'D)

4. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of MBSB Shares traded on Bursa Securities for the past 12 months before the date of this Circular are as follows:

Month	Highest RM	Lowest RM
2024		
December	0.770	0.710
2025		
January	0.750	0.710
February	0.740	0.710
March	0.735	0.695
April	0.725	0.620
May	0.740	0.705
June	0.725	0.670
July	0.715	0.680
August	0.715	0.680
September	0.755	0.685
October	0.765	0.715
November	0.735	0.705
Last transacted market price on 28 October 2025, being the last market day immediately before the announcement of the Proposed LTIP on 29 October 2025 (RM)	0.725	
Last transacted market price as at the LPD (RM)	0.705	

(Source: Bloomberg)

5. MATERIAL LITIGATION

As at the LPD, our Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, which has or would have a material and adverse effect on the financial position or business of our Group and, to the best of our Board's knowledge and belief, our Board confirmed that there are no proceedings pending or threatened against our Group or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of our Group.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at Level 25, Menara MBSB Bank, PJ Sentral, Lot 12, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya, Selangor, Malaysia, from 9.00 AM to 5.00 PM, Monday to Friday (excluding public holidays) from the date of this Circular up to and including the date of our forthcoming EGM:

- (i) our Constitution;
- (ii) our audited consolidated financial statements for the FYE 31 December 2023 and FYE December 2024, and our latest unaudited financial statements for the financial period ended 30 September 2025;
- (iii) the letters of consent and declarations of conflict of interest from MBSB IB and Towers Watson (Malaysia) Sdn Bhd as referred to in Section 2 of this Appendix II; and
- (iv) the proposed By-laws, as set out in Appendix I of this Circular.



MBSB BERHAD
(Registration No.: 197001000172 (9417-K))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“EGM”) of MBSB Berhad (“MBSB” or the “Company”) will be held at Auditorium, Level 4, Menara MBSB Bank, PJ Sentral, Lot 12, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya, Selangor (“Meeting Venue”) and virtually by way of electronic means via Vistra Share Registry and IPO (MY) portal (“The Portal”) at <https://srmy.vistra.com> on Tuesday, 20 January 2026 at 10:00 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF A LONG-TERM INCENTIVE PLAN WHICH COMPRISES OF A PROPOSED EMPLOYEE SHARE OPTION SCHEME AND A PROPOSED SHARE GRANT SCHEME (“PROPOSED LTIP”)

“**THAT**, subject to the approvals of all relevant authorities and/or parties being obtained, the Board of Directors of MBSB (“**Board**”) be and is hereby authorised and empowered to:

- (i) establish, implement and administer the Proposed LTIP, where amongst others, the aggregate number of new ordinary shares in MBSB (“**Shares**”) made available under the Proposed LTIP shall be an aggregate maximum of ten percent (10%) of the total number of issued Shares (excluding treasury shares, if any), at any point in time during the duration of the Proposed LTIP (which will be valid for 10 years) for the eligible employees of MBSB and its subsidiaries which are not dormant (“**MBSB Group**”) who hold senior management positions as well as other key employees who have contributed towards the growth and performance of the MBSB Group as determined by the LTIP Committee (as defined below) (“**Selected Employees**”), and the Group Chief Executive Officer of MBSB Group who fulfil the eligibility criteria and have been selected to participate in the Proposed LTIP by the LTIP Committee (as defined below), at the sole and absolute discretion of the LTIP Committee subject to the terms and conditions set out in the by-laws governing the Proposed LTIP (“**By-Laws**”). The Proposed LTIP will be administered by a committee which will comprise of such non-executive Directors as appointed by the Board (“**LTIP Committee**”). The LTIP Committee will have the sole and absolute discretion in administering the Proposed LTIP in accordance with the proposed By-Laws as set out in Appendix I of the Circular to Shareholders of the Company in relation to the Proposed LTIP dated 24 December 2025 (“**Circular**”), and the terms of reference of the LTIP Committee;
- (ii) issue and allot from time to time such number of new Shares as may be required to be issued and allotted to the Selected Employees pursuant to their vesting of the Shares under the Proposed LTIP, subject to the terms and conditions of the By-Laws, provided that the total number of new Shares to be issued and allotted and/or transferred shall not exceed an aggregate maximum of ten percent (10%) of the total number of issued Shares (excluding treasury shares, if any) at any point of time during the duration of the Proposed LTIP; and
- (iii) add, amend, modify and/or delete all or any part of the terms and conditions as set out in the By-Laws governing the Proposed LTIP from time to time provided that such addition, amendment, modification and/or deletion are effected in accordance with the provisions of the By-Laws, and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Proposed LTIP.

THAT the proposed By-Laws, as set out in Appendix I of the Circular, which is in compliance with the Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), be and is hereby approved and adopted;

AND THAT the Board be and is hereby empowered and authorised to take such steps and to do all such acts, deeds and things, and to execute, sign, deliver and cause to be delivered on behalf of the Company, all such agreements, arrangements and documents as the Board may deem fit, necessary, expedient or appropriate in order to implement, finalise and give full effect to the Proposed LTIP and the terms of the By-Laws, with full powers to approve, agree and/or assent to any term, condition, variation, modification and/or amendment in any manner as may be required by the relevant authorities and/or parties or as may be deemed necessary and/or expedient by the Board in the best interests of the Company, and to deal with all matters incidental to, ancillary to and/or relating to the Proposed LTIP.”

ORDINARY RESOLUTION 2

PROPOSED ALLOCATION TO MOHAMED RAFE BIN MOHAMED HANEEF, THE GROUP CHIEF EXECUTIVE OFFICER OF MBSB (“PROPOSED ALLOCATION TO MOHAMED RAFE”)

“**THAT**, subject to the passing of Ordinary Resolution 1, the Board be and is hereby authorised at any time and from time to time during the duration of the Proposed LTIP, to offer or grant to Mohamed Rafe Bin Mohamed Haneef, being the Group Chief Executive Officer of MBSB, an award of up to a maximum of 65,000,000 new Shares under the Proposed ESOS as part of his total award under the Proposed LTIP at any point of time during the duration of the Proposed LTIP, as the Board may deem fit, which shall be subject to the following:

- (i) that he shall abstain from all deliberations and/or discussions relating to his own allocation;
- (ii) that not more than ten percent (10%) of the new Shares which may be issued under the Proposed LTIP, shall be allocated to him, if he, whether individually or collectively through persons connected to him, hold 20% or more of the issued Shares; and
- (iii) that the allocation shall be subject to such terms and conditions and/or any adjustments as may be made in accordance with the By-Laws, the Listing Requirements, and any prevailing guidelines issued by Bursa Securities or any other relevant authority, as amended from time to time.”

BY ORDER OF THE BOARD

KOH AI HOON (MAICSA 7006997)
Practicing Certificate No.: 202308000225
PAULINE NG PECK KUN (MAICSA 7029550)
Practicing Certificate No.: 201908002573
Company Secretaries

Petaling Jaya
24 December 2025

Notes:

1. The EGM of the Company will be held in a hybrid mode, whereby member(s), proxy(ies), corporate representative(s) or attorney(s) have the option to:
 - (i) Attend physically in person at the Physical Meeting Venue (Physical Attendance); or
 - (ii) Attend virtually using the Remote Participation and Voting (RPV) facilities available on Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmy.vistra.com> (Virtual Attendance).

Please refer to the Administrative Guide for the detailed procedures for Physical Attendance and Virtual Attendance.

2. For the purpose of determining a member who shall be entitled to attend this EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 61(2) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), to issue a General Meeting Record of Depositors as at 8 January 2026. Only a depositor whose name appears on the Record of Depositors as at 8 January 2026 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her/its behalf.
3. A member shall be entitled to appoint another person as his/her/its proxy. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of a company shall have the same rights as the member to attend, participate, speak and vote at the meeting.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless the member specifies the proportion of the member's holdings to be represented by each proxy.
5. Where a member of the company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
7. To be valid, the duly completed instrument appointing a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company's Share Registrar not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof:
 - (i) In hard copy form
The Proxy Form must be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, deposit the Proxy Form in the drop-in boxes located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - (ii) By electronic form
The Proxy Form can be lodged electronically with the Company's Share Registrar via The Portal at <https://srmy.vistra.com>. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of Proxy Form via The Portal.
8. By submitting the duly executed Form of Proxy, the member and his/her proxy(ies) consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the purposes of the EGM and any adjournment thereof.
9. Pursuant to Paragraph 8.29A(1) of the Listing Requirements, the ordinary resolutions set out in the Notice of EGM of the Company shall be put to the vote by way of a poll.

No. of shares held	CDS Account no.	Telephone no.	Email address

*I/We _____ NRIC/Passport no./Registration no. _____
(full name in block)

of _____

being a *member/members of MBSB BERHAD ("Company"), hereby appoint:

(1) Name of proxy : _____ NRIC/ Passport no. : _____
Address : _____
Email Address : _____ Telephone no. : _____

*and/or

(2) Name of proxy : _____ NRIC/ Passport no. : _____
Address : _____
Email Address : _____ Telephone no. : _____

or failing him/her, the CHAIRMAN OF THE MEETING as *my/our proxy/proxies to vote for *me/us on *my/our behalf at the Extraordinary General Meeting ("EGM" or "Meeting") of the Company which will be held at Auditorium, Level 4, Menara MBSB Bank, PJ Sentral, Lot 12, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya, Selangor ("Meeting Venue") and virtually by way of electronic means via Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmy.vistra.com> on Tuesday, 20 January 2026 at 10:00 a.m. or at any adjournment thereof.

Please indicate with an "x" in the spaces provided whether you wish your votes to be cast for or against the resolution. In the absence of specific instructions, your proxy will vote or abstain as he/she thinks fit.

No.	Ordinary Resolutions	For	Against
1.	Proposed LTIP		
2.	Proposed allocation to Mohamed Rafe Bin Mohamed Haneef		

Dated this _____ day of _____ 2026

Signature / Common Seal of Member
*Strike out whichever is not applicable

For the appointment of two proxies, percentage of shareholdings to be represented by the proxies:

	No. of shares	Percentage (%)
Proxy 1		
Proxy 2		
Total		100

Notes:

- The EGM of the Company will be held in a hybrid mode, whereby member(s), proxy(ies), corporate representative(s) or attorney(s) have the option to:
 - Attend physically in person at the Physical Meeting Venue (Physical Attendance); or
 - Attend virtually using the Remote Participation and Voting (RPV) facilities available on Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmy.vistra.com> (Virtual Attendance).

Please refer to the Administrative Guide for the detailed procedures for Physical Attendance and Virtual Attendance.
- For the purpose of determining a member who shall be entitled to attend this EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 61(2) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), to issue a General Meeting Record of Depositors as at 8 January 2026. Only a depositor whose name appears on the Record of Depositors as at 8 January 2026 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her/its behalf.
- A member shall be entitled to appoint another person as his/her/its proxy. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of a company shall have the same rights as the member to attend, participate, speak and vote at the meeting.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless the member specifies the proportion of the member's holdings to be represented by each proxy.
- Where a member of the company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- To be valid, the duly completed instrument appointing a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company's Share Registrar not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof:
 - In hard copy form
The Proxy Form must be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, deposit the Proxy Form in the drop-in boxes located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - By electronic form
The Proxy Form can be lodged electronically with the Company's Share Registrar via The Portal at <https://srmy.vistra.com>. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of Proxy Form via The Portal.
- By submitting the duly executed Form of Proxy, the member and his/her proxy(ies) consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the purposes of the EGM and any adjournment thereof.
- Pursuant to Paragraph 8.29A(1) of the Listing Requirements, the ordinary resolutions set out in the Notice of EGM of the Company shall be put to the vote by way of a poll.

Fold this flap for sealing

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AFFIX
STAMP

The Share Registrar
MBSB BERHAD
(Registration No. 197001000172 (9417-K))

c/o **Tricor Investor & Issuing House Services Sdn. Bhd.**
(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi 59200 Kuala Lumpur

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