

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, banker, solicitor, accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness, and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

This Circular has been reviewed by Affin Hwang Investment Bank Berhad as the Sponsor to HPP Holdings Berhad ("HPP") and Principal Adviser for the Proposed ESOS (as defined below).



HPP HOLDINGS BERHAD
(Registration No. 201801043588 (1305620-D))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME OF UP TO 15% OF THE TOTAL NUMBER OF ISSUED SHARES OF HPP (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT OF TIME DURING THE DURATION OF THE SCHEME FOR ELIGIBLE DIRECTORS AND EMPLOYEES OF HPP AND ITS SUBSIDIARY COMPANIES (EXCLUDING SUBSIDIARY COMPANIES WHICH ARE DORMANT, IF ANY) ("PROPOSED ESOS")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



**AFFIN HWANG
INVESTMENT BANK**

AFFIN HWANG INVESTMENT BANK BERHAD
(Registration No. 197301000792 (14389-U))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of the Extraordinary General Meeting ("EGM") of HPP will be conducted on fully virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting facilities via the online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC: D6A357657) on Friday, 29 October 2021 at 11.30 a.m. or immediately after the conclusion or adjournment (as the case may be) of the Company's Third Annual General Meeting, to be conducted on fully virtual basis on the same day at 10.00 a.m., whichever is later, together with the Proxy Form are enclosed with this Circular.

If you are unable to attend and vote in person at the EGM, you may appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you must complete the Proxy Form in accordance with the instructions contained therein and lodge the same at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time fixed for holding the EGM or any adjournment thereof. The lodging of Proxy Form will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

Last date and time for lodging the Proxy Form : Wednesday, 27 October 2021 at 11.30 a.m.

Date and time of the EGM : Friday, 29 October 2021 at 11.30 a.m.

This Circular is dated 29 September 2021

DEFINITIONS

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

Act	: Companies Act 2016, as amended from time to time including any re-enactment thereof
Affin Hwang IB	: Affin Hwang Investment Bank Berhad
Announcement	: Announcement dated 6 August 2021 in relation to the Proposed ESOS
Aurora Meadow	: Aurora Meadow Sdn Bhd (Registration No. 201701013980 (1228145-K))
Board	: The Board of Directors of HPP
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 rules, terms and conditions of the Proposed ESOS as may be modified, varied and/or amended from time to time, the draft of which is set out in Appendix I of this Circular
Circular	: This circular to the shareholders of HPP in relation to the Proposed ESOS dated 29 September 2021
Date of Expiry	: The last day of the duration of the Proposed ESOS or the last day of any extended period in the manner provided in the By-Laws (as the case may be)
Date of Offer	: The date on which an Offer (including any subsequent Offers) is made to an Eligible Person by the ESOS Committee to participate in the Proposed ESOS in the manner provided in the By-Laws
Director(s)	: A natural person who holds a directorship in the Company or any company within HPP Group, whether in an executive or non-executive capacity, and shall have the meaning of Section 2(1) of the Capital Markets and Services Act 2007 as amended from time to time including any re-enactment thereof
EGM	: Extraordinary General Meeting
Eligible Person(s)	: Any Director(s) and employee(s) of the HPP Group who meet the criteria of eligibility for participation in the Proposed ESOS in accordance with the By-Laws
EPS	: Earnings per Share
ESOS Committee	: The committee appointed and authorised from time to time by the Board with the responsibility of, amongst others, implementing, allocating and administering the Proposed ESOS
ESOS Option(s) or Option(s)	: The right of a Grantee to subscribe for HPP Share(s) at the Option Price pursuant to the acceptance of an Offer by an Eligible Person in accordance with the By-Laws

DEFINITIONS (CONT'D)

ESOS Period	: The duration of the Proposed ESOS as set out in the By-Laws
FYE	: Financial year ended/ending, as the case may be
Grantee(s)	: An Eligible Person who has accepted the Offer in the manner provided in the By-Laws
HPP or Company	: HPP Holdings Berhad (Registration No. 201801043588 (1305620-D))
HPP Group or Group	: Collectively, HPP and its subsidiary companies (as defined under section 4 of the Act), and in the context of the Proposed ESOS, shall exclude subsidiary companies which are dormant but include those subsidiaries that are existing as at the effective date of the Proposed ESOS and subsidiaries which are incorporated or acquired at any time during the ESOS Period
HPP Share(s) or Share(s)	: Ordinary share(s) in HPP
Listing Requirements	: ACE Market Listing Requirements of Bursa Securities, including all amendments thereto and any Guidance Notes issued in relation thereto
LPD	: 30 August 2021, being the latest practicable date prior to the printing and issuing of this Circular
NA	: Net assets
Offer(s)	: A written offer made by the ESOS Committee to an Eligible Person to participate in the Proposed ESOS subject to the terms and conditions of the By-Laws
Official List	: A list specifying all securities listed on Bursa Securities
Option Price	: The exercise price at which a Grantee shall be entitled to subscribe for each HPP Share from the Company upon exercise of the ESOS Options, as initially determined and as may be adjusted in accordance with the By-Laws
Proposed ESOS	: Proposed establishment of an employees' share option scheme of up to 15% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the ESOS Period for the Eligible Persons of HPP Group (excluding subsidiary companies which are dormant, if any)
Record of Depositors	: A record of securities holders established by Bursa Depository under the rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act 1991 (as amended from time to time including any re-enactment thereof)
RM and sen	: Ringgit Malaysia and sen respectively
VWAP	: Volume weighted average market price

Any reference to "we", "us", "our" and "ourselves" are to the Company, and where the context otherwise requires, the subsidiaries. All references to "you" are to the shareholders of the Company.

DEFINITIONS (CONT'D)

Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any statutes, rules, regulations or rules of the stock exchange is a reference to such statutes, rules, regulations or rules of the stock exchange currently in force and as may be amended from time to time and any re-enactment thereof.

Any reference to a time or date in this Circular shall be a reference to Malaysian time, unless otherwise stated.

Any discrepancy in the tables included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

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EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION OF THE PROPOSED ESOS. YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS TOGETHER WITH THE APPENDICES OF THIS CIRCULAR WITHOUT RELYING SOLELY ON THIS EXECUTIVE SUMMARY BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED ESOS TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY.

Key information	Summary	Reference to this Circular
Summary of the Proposed ESOS	<p>The Proposed ESOS entails the establishment of an employees' share option scheme which involves the granting of ESOS Options to the Eligible Persons who meet the criteria of eligibility for participation in the Proposed ESOS in accordance with the By-Laws. The Options granted under the Proposed ESOS shall entitle Eligible Persons who have accepted the Offer to subscribe for HPP Shares at an Option Price to be determined at a later date, subject to the terms and conditions of the By-Laws.</p> <p>The maximum number of Shares which may be made available under the Proposed ESOS shall not in aggregate exceed 15% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the ESOS Period.</p>	Section 2
Rationale for the Proposed ESOS	The Proposed ESOS primarily serves as a long term incentive plan to reward Eligible Persons and to align their interest with the corporate goals and objectives of HPP Group.	Section 4
Effect of the Proposed ESOS	<p>The effects on the Proposed ESOS are as follows:</p> <ul style="list-style-type: none">(i) No immediate effect on the existing issued share capital of HPP;(ii) No immediate effect on the NA, NA per Share and gearing of HPP Group;(iii) No immediate effect on the earnings and the EPS of the Group; and(iv) No immediate effect on the shareholdings of the substantial shareholder of the Company; <p>until such time when the Shares are issued and/or transferred via treasury shares (if any) arising from the exercise of the ESOS Options pursuant to the Proposed ESOS.</p>	Section 6

EXECUTIVE SUMMARY (CONT'D)

Key information	Summary	Reference to this Circular
Interests of directors, major shareholders, chief executive and/or persons connected with them	<p>All of the Directors and chief executive of HPP are entitled to participate in the Proposed ESOS and are therefore deemed interested in the Proposed ESOS to the extent of their respective allocations, if any, as well as allocations to persons connected with them, if any, under the Proposed ESOS.</p> <p>Accordingly, the Directors have abstained and will continue to abstain from deliberating and voting, in respect of their direct and/or indirect shareholdings in HPP, on the resolutions pertaining to their respective allocations, if any, as well as the allocations to persons connected with them, if any, under the Proposed ESOS at the relevant Board meetings and general meetings.</p>	Section 10
Directors' statement and recommendation	<p>The Board, having considered all aspects of the Proposed ESOS, including but not limited to the rationale and effects of the Proposed ESOS, is of the opinion that the Proposed ESOS is in the best interest of the Company.</p> <p>Accordingly, the Board recommends that you VOTE IN FAVOUR of the resolutions pertaining to the Proposed ESOS to be tabled at the forthcoming EGM of the Company.</p> <p>However, in view that the directors of HPP are deemed interested in the Proposed ESOS to the extent of their respective allocations, if any, as well as allocations to persons connected with them, if any, under the Proposed ESOS, they have abstained and will continue to abstain from expressing an opinion and making any recommendation on their respective allocations, if any, as well as allocations to persons connected with them, if any, under the Proposed ESOS.</p>	Section 11

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HPP HOLDINGS BERHAD
(Registration No. 201801043588 (1305620-D))
(Incorporated in Malaysia)

Registered Office:

12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

29 September 2021

Board of directors:

Lau Tee Tee @ Lau Kim Wah
Kok Hon Seng
Ng Soh Hoon
Philip Goh Teck Siang
Choo Chee Beng
Lee Chong Leng

(Non-Independent Non-Executive Chairman)
(Executive Director / Group Managing Director)
(Executive Director)
(Independent Non-Executive Director)
(Independent Non-Executive Director)
(Independent Non-Executive Director)

To: The shareholders of the Company

Dear Sir/Madam,

PROPOSED ESOS

1. INTRODUCTION

On 6 August 2021, Affin Hwang IB had, on behalf of the Board, announced that the Company proposed to undertake the Proposed ESOS.

On 6 September 2021, Affin Hwang IB had, on behalf of the Board, announced that the listing application in relation to the Proposed ESOS had been submitted to Bursa Securities.

On 13 September 2021, Affin Hwang IB had, on behalf of the Board, announced that Bursa Securities, had vide its letter dated 10 September 2021, approved the listing of and quotation for up to 15% of the total number of issued shares of HPP to be issued arising from the exercise of the ESOS Options under the Proposed ESOS, subject to the conditions as set out in Section 8 of this Circular.

The details of the Proposed ESOS are set out in the ensuing sections of this Circular.

THE PURPOSE OF THIS CIRCULAR TOGETHER WITH THE APPENDICES IS TO PROVIDE YOU WITH DETAILS OF THE PROPOSED ESOS TOGETHER WITH THE RECOMMENDATION OF THE BOARD AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSED ESOS AND THE PROPOSED GRANTING OF ESOS OPTIONS TO THE DIRECTORS AND PERSON CONNECTED WITH THEM TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY. THE NOTICE OF EGM TOGETHER WITH THE PROXY FORM ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS TOGETHER WITH THE APPENDICES OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED ESOS AND THE PROPOSED GRANTING OF ESOS OPTIONS TO THE DIRECTORS AND PERSON CONNECTED WITH THEM TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY.

2. DETAILS OF THE PROPOSED ESOS

The Proposed ESOS entails the establishment of an employees' share option scheme which involves the granting of ESOS Options to the Eligible Persons who meet the criteria of eligibility for participation in the Proposed ESOS in accordance with the By-Laws. The Options granted under the Proposed ESOS shall entitle Eligible Persons who have accepted the Offer to subscribe for HPP Shares at an Option Price to be determined at a later date, subject to the terms and conditions of the By-Laws.

The Proposed ESOS will be administered in accordance with the By-Laws by the ESOS Committee. The Board will also formulate and approve the terms of reference of the ESOS Committee.

In implementing the Proposed ESOS, the ESOS Committee may at its absolute discretion decide that the ESOS Options to be satisfied by the following methods:

- (i) issuance of new HPP Shares;
- (ii) transfer of the Company's treasury shares (if any) or any other methods as may be permitted by the Act, as amended from time to time and any re-enactment thereof; or
- (iii) a combination of any of the above.

In considering the mode of satisfaction as referred to in (i) to (iii) above, the ESOS Committee will take into consideration, amongst others, factors such as the prevailing market price of HPP Shares and the potential cost arising from the granting of the ESOS Options.

The salient features of the Proposed ESOS, details of which will be governed by the By-Laws, are set out in the ensuing sections.

2.1 Maximum number of Shares available under the Proposed ESOS

The maximum number of Shares which may be made available under the Proposed ESOS shall not in aggregate exceed 15% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the ESOS Period.

2.2 Basis of allocation and maximum allowable allotment

Subject to any adjustment which may be made to the By-Laws, the aggregate number of ESOS Options that may be offered to an Eligible Person shall be at the absolute discretion of the ESOS Committee after taking into consideration, amongst other factors, the Eligible Person's designation, length of service, employment grade, work performance, fulfilment of eligibility criteria as referred in Section 2.3 of this Circular and such other factors that the ESOS Committee may deem fit, and subject to the following conditions:

- (i) the total number of Shares made available under the Proposed ESOS shall not exceed the amount stipulated in Section 2.1 of this Circular;
- (ii) the Directors and senior management of HPP Group shall not participate in the deliberation or discussion of their respective allocations of Options as well as to persons connected with them (as defined in the Listing Requirements), if any;
- (iii) at any one time when an Offer is made, not more than 10% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) of the total number of Shares to be issued under the Proposed ESOS shall be allocated to any Eligible Person who, either singly or collectively through persons connected (as defined in the Listing Requirements) with the Eligible Person, holds 20% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) or more of the total number of issued shares of the Company (excluding treasury shares, if any); and
- (iv) at any one time during the ESOS Period, not more than 50% of the total number of Shares to be issued under the Proposed ESOS could be allocated, in aggregate, to the directors and senior management of the HPP Group who are Eligible Persons (where "senior management" shall be subject to any criteria as may be determined at the sole discretion of the ESOS Committee from time to time). The aggregate maximum allocation was arrived at after taking into consideration the number of directors and senior management of HPP Group who are eligible to participate in the Proposed ESOS, as well as the maximum number of HPP Shares that may be allocated to each director and senior management based on, amongst others, their position, seniority and length of service. This is intended to incentivise the directors of the Group for their contribution towards development, growth and strategic direction to drive long term shareholder value enhancement of the Group and likewise the senior management of the Group for their commitment, dedication and loyalty towards the attainment of higher performance,

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

The ESOS Committee shall determine the maximum number of ESOS Options that can be offered to an Eligible Person, in the manner provided in the By-Laws in relation to each class or grade of the Eligible Persons and the aggregate maximum number of ESOS Options that can be offered to the Eligible Persons under the Proposed ESOS from time to time, and the decision of the ESOS Committee shall be final and binding.

The ESOS Committee may at its sole and absolute discretion decide whether the granting of the ESOS Options to the Eligible Person will be based on staggered granting over the ESOS Period or in one single grant, and/or whether the Options are subject to any vesting period and if so to determine the vesting conditions including on whether such vesting are subject to performance target, of which such determination will be carried out at a later date after the establishment of the Proposed ESOS and the formation of the ESOS Committee.

2.3 Eligibility

- (i) Subject to the discretion of the ESOS Committee, only an Eligible Person who fulfils the following conditions shall be eligible to participate in the Proposed ESOS, as at the Date of Offer, such employee:
 - (a) has attained 18 years of age;
 - (b) is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (c)
 - (i) is confirmed in writing and employed on a full-time basis and is on the payroll of a company in the Group for a continuous period of at least 1 year in the Group and has not served a notice to resign or received a notice of termination prior to and up to the Date of Offer; or
 - (ii) is employed by a corporation which is acquired by the Group during the ESOS Period and becomes a subsidiary of the Group upon such acquisition, he must have completed a continuous employment service for a period of at least 1 year in the Group following the date that such company becomes or is deemed to be a subsidiary of the Group and has not served a notice to resign or received a notice of termination prior to and up to the Date of Offer; and
 - (d) has fulfilled any other criteria and/or fall within such other category that the ESOS Committee may from time to time determine at its absolute discretion, whose decision shall be final and binding.
- (ii) Any Director of the Group shall be eligible to participate in the Proposed ESOS and qualify for selection by the ESOS Committee if, as at the Date of Offer, such Director:
 - (a) has attained 18 years of age;
 - (b) is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (c) has been appointed as a Director of a company within the Group (which is not dormant) for at least 1 year prior to and up to the Date of Offer; and
 - (d) has fulfilled any other criteria and/or fall within such other category that the ESOS Committee may from time to time determine at its absolute discretion, whose decision shall be final and binding.
- (iii) In respect of a Director, a major shareholder, a chief executive officer of the Company or a person connected with a Director or chief executive officer, the specific allocation of ESOS Options granted under the Proposed ESOS must have been approved by the shareholders of the Company at a general meeting.

In determining the eligibility of an Eligible Person to participate in the Proposed ESOS, the ESOS Committee may take into account amongst other factors, the performance, contribution, employment grade, seniority and/or length of service to the relevant corporation within the Group, and/or such other factors that the ESOS Committee may in its sole and absolute discretion deem fit, whose decision shall be final and binding.

Notwithstanding the above, the ESOS Committee may, in its absolute discretion, change or waive any of the conditions of eligibility as set out above. The selection of any Eligible Person for participation in the Proposed ESOS and number of Options to be offered to an Eligible Person under the Proposed ESOS shall be made by the ESOS Committee at its sole and absolute discretion and the decision of the ESOS Committee shall be final and binding.

Subject to Sections 2.3(i) and 2.3(ii) of this Circular, the ESOS Committee may as stipulated in the Offer or may from time to time and at its own discretion decide on the performance targets to be achieved by the Grantee before the ESOS Options can be vested and exercised into HPP Shares.

The eligibility under the Proposed ESOS does not confer an Eligible Person a claim or right to participate in or any rights whatsoever under the Proposed ESOS and an Eligible Person does not acquire or has any rights over or in connection with the ESOS Options or the Shares comprised in the Proposed ESOS unless the Offer has been made in writing by the ESOS Committee to the Eligible Person and the Eligible Person has accepted the Offer in accordance with the terms of the Offer and the By-Laws.

2.4 Duration and Termination

The Proposed ESOS, when implemented, shall be in force for a period of 5 years from the effective date of implementation of the Proposed ESOS ("**Effective Date**") and may be extended for such further period after the date of expiration of the original 5 years period, at the absolute discretion of the Board upon the recommendation by the ESOS Committee, provided always that the initial ESOS Period stipulated above and such extension of the Proposed ESOS made pursuant to the By-Laws shall not in aggregate exceed a duration of 10 years or such other period as may be prescribed by Bursa Securities or any other relevant authorities from the Effective Date.

Any extended Proposed ESOS shall be implemented in accordance with the terms of the By-Laws, subject however to any revisions and/or changes to the relevant statutes, laws and/or regulations then in force. Unless otherwise required by the relevant authorities, no further approvals shall be required for the extension of the Proposed ESOS. In the event the Proposed ESOS is extended, the Company shall serve appropriate notices on each Grantee within 30 days prior to the Date of Expiry.

Subject to compliance with the requirements of Bursa Securities and any other relevant authorities, the Proposed ESOS may be terminated by the Company at any time before the Date of Expiry without obtaining the approvals or consents from the Grantees or the Company's shareholders provided that the Company makes an announcement immediately to Bursa Securities on the following:

- (i) the effective date of termination of the Proposed ESOS;
- (ii) the number of Options exercised or Shares vested; and
- (iii) the reasons and justification for termination of the Proposed ESOS.

Subject to the provisions under the Listing Requirements, approval or consent of the shareholders of the Company by way of a resolution in a general meeting and written consent of Grantees who have yet to exercise their Options are not required to effect a termination of the Proposed ESOS.

Notwithstanding anything to the contrary, all unexercised Options shall lapse on the Date of Expiry or the date of the resolution of the termination of the Proposed ESOS.

2.5 Option Price

Subject to any adjustments to be made under the By-Laws and pursuant to the Listing Requirements, the Option Price shall be a price to be determined by the Board upon recommendation of the ESOS Committee based on the 5-day VWAP of HPP Shares immediately preceding the Date of Offer with a discount of not more than 10% or such other percentage of discount as may be permitted by Bursa Securities or any other relevant authorities from time to time during the ESOS Period.

2.6 Retention period

The Shares issued and/or transferred (via treasury shares, if any) to a Grantee (save for an eligible Director who is a non-executive Director) arising from the exercise of the Options under the Proposed ESOS will not be subjected to any retention period or restriction on transfer. However, the Grantees are encouraged to hold the Shares as a long-term investment and not for any speculative and/or realisation to yield a profit. Notwithstanding the foregoing, the ESOS Committee shall be entitled to prescribe or impose, in relation to any Offer, any condition relating to any retention period or restriction on transfer as it sees fit.

Notwithstanding the above, pursuant to Rule 8.22 of the Listing Requirements, a Grantee who is a non-executive Director of any company within the Group (excluding any dormant subsidiary) must not sell, transfer or assign his/her Shares obtained through the exercise of the Options offered to him/her pursuant to the ESOS within 1 year from the Date of Offer of such Options or such period as may be prescribed by Bursa Securities.

2.7 Acceptance

An Offer made by the ESOS Committee to an Eligible Person shall be valid for a period of 30 calendar days from the Date of Offer or such longer period as may be determined by the ESOS Committee on a case-to-case basis at its discretion ("**Offer Period**"), and shall be accepted by the Eligible Person within the Offer Period by giving a written notice to the ESOS Committee in such form as may be prescribed by the ESOS Committee of such acceptance and accompanied by a payment to the Company of a nominal non-refundable consideration of Ringgit Malaysia One (RM1.00) only for the acceptance of the Options (regardless of the number of Shares comprised therein).

If an Offer is not accepted in the manner prescribed by the ESOS Committee and within the Offer Period, such Offer shall upon the expiry of the Offer Period automatically lapse and shall be null and void and be of no further force and effect. The ESOS Options comprised in such Offer may, at the discretion of the ESOS Committee, be re-offered to other Eligible Persons.

Within 30 calendar days after acceptance of the Offer, the Company shall issue to the Grantee an Option certificate in such form as may be determined by the ESOS Committee.

In the event of death or cessation of employment of the Eligible Person or the Eligible Person becomes a bankrupt, as the case may be, prior to the acceptance of the Offer by the Eligible Person, such Offer shall automatically lapse and be null and void and shall not be capable of acceptance. The ESOS Options comprised in such Offer may, at the discretion of the ESOS Committee, be re-offered to other Eligible Persons.

2.8 Rights of a Grantee

The Options shall not carry any right to vote at any general meeting of the Company. The Shares, which are issued and/or transferred (via treasury shares, if any) and credited into the Grantee's Central Depository System account upon the exercise of the ESOS Options, would carry rights to vote at any general meeting of the Company, if the Grantee is registered on the Record of Depositors on the entitlement date as at the close of business to be entitled to attend and vote at the general meeting.

The Grantee shall not in any event be entitled to any dividends, rights and/or other entitlement on his unexercised ESOS Options.

2.9 Alteration of share capital

In the event of any alteration in the capital structure of the Company during the ESOS Period, whether by way of a rights issue, bonus issue or other manner of capitalisation issue, subdivision or consolidation of Shares or reduction of capital or any other variations of capital shall take place or if the Company shall make a capital distribution during the ESOS Period, the Board shall have the discretion and accordingly assess the practicality of complying with the requirement to cause such corresponding adjustments (if any) to be made to:

- (i) the Option Price;
- (ii) the number of ESOS Options granted to each Grantee (excluding the ESOS Options already exercised); and/or
- (iii) the number of Shares and/or Option Price comprised in the Offer which is open for acceptance during the Offer Period,

to ensure that the capital outlay to be incurred by a Grantee in subscribing for the same proportion of Shares to which the Grantee was entitled prior to the event giving rise to such adjustments (i.e. not taking into account the Options already exercised) shall remain unaffected. Notwithstanding the above, the ESOS Committee may, at its discretion, determine whether the Option Price and/or the number of unexercised ESOS Options shall be adjusted, and if so, the manner in which such adjustments should be made. Any such adjustment must be confirmed in writing by the external auditors or the principal adviser (acting as experts and not as arbitrators) of the Company to be in their opinion, fair and reasonable.

2.10 Modification, variation and/or amendment to the Proposed ESOS

Subject to the By-Laws and compliance with the Listing Requirements and the approvals of any other authorities (if required), the ESOS Committee may at any time and from time to time recommend to the Board any modification, variation and/or amendment of the By-Laws as it shall at its discretion think fit and the Board shall have the power at any time and from time to time by resolution to make any modification, variation and/or amendment of the By-Laws upon such recommendation and subject to the Company submitting the amended By-Laws and a letter of compliance to Bursa Securities (within 5 market days after the effective date of the modification, variation and/or amendment of the By-Laws or such other period as may be prescribed by Bursa Securities or any other relevant authorities) each time any modification, variation and/or amendment is made, stating that the said modification, variation and/or amendment is in compliance with the provisions of the Listing Requirements pertaining to the Proposed ESOS and the Rules of Bursa Depository.

The approval of the shareholders of the Company in general meeting shall not be required in respect of the modification, variation and/or amendment of the By-Laws provided that no modification, variation and/or amendment made to the By-Laws which would:

- (i) materially prejudice any rights which would have accrued to any Grantee without the prior consent or sanction of that Grantee; or
- (ii) increase the number of Shares available under the Proposed ESOS beyond the maximum amount set out in Section 2.1 of this Circular; or
- (iii) prejudice any rights of the shareholders of the Company; or
- (iv) alter to the advantage of an Eligible Person and/or Grantee(s) in respect of any matters which are required to be contained in the By-Laws unless allowed by the provisions of the Listing Requirements.

2.11 Ranking of HPP Shares pursuant to the exercise of the ESOS Options

The HPP Shares to be issued and/or transferred (via treasury shares, if any) to the Grantee arising from the exercise of the ESOS Options will, rank *pari passu*, in all respects with the then existing HPP Shares.

2.12 Listing of and quotation for the new HPP Shares

Bursa Securities had vide its letter dated 10 September 2021, approved the listing of and quotation for up to 15% of the total number of issued shares of HPP, to be issued arising from the exercise of the ESOS Options under the Proposed ESOS, subject to the conditions as set out in Section 8 of this Circular.

3. UTILISATION OF PROCEEDS

The actual proceeds to be received by the Company arising from the exercise of the ESOS Options under the Proposed ESOS will depend on, amongst others, the actual number of ESOS Options granted and exercised at the relevant point of time as well as the Option Price. Therefore, the amount of proceeds to be received from the exercise of the ESOS Options is not determinable at this juncture.

The proceeds to be raised from the exercise of the ESOS Options are intended to be utilised for the future working capital requirements of HPP Group, which include, amongst others, payment for trade creditors and other payables (including audit fees, company secretary fees and tax advisory fees), staff costs such as salaries, statutory contributions and employee benefits e.g. medical and other operating expenses such as utilities. The proceeds to be utilised for each component of working capital are subject to HPP Group's operating requirements at the time of utilisation and therefore cannot be determined at this juncture. However, the 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 ESOS.

Pending the utilisation of proceeds raised as and when the ESOS Options are exercised, such proceeds will be placed in deposits with financial institutions or short-term money market instruments as the Board deems fit.

4. RATIONALE FOR THE PROPOSED ESOS

The Proposed ESOS primarily serves as a long term incentive plan to reward Eligible Persons and to align their interest with the corporate goals and objectives of HPP Group.

The Proposed ESOS is established to achieve the following objectives:

- (i) to continue recognising the contribution of Eligible Persons whose services are valued and considered vital to the operations and continued growth of the Group;
- (ii) to motivate Eligible Persons to work towards better performance through greater productivity and loyalty;
- (iii) to stimulate a greater sense of belonging and dedication since Eligible Persons are given the opportunity to participate directly in the equity of the Company;
- (iv) to encourage Eligible Persons to remain with the Group thus ensuring that any loss of key personnel is kept to a minimum;
- (v) to reward Eligible Persons by allowing them to participate in the Company's growth and profitability and eventually realise potential capital gains arising from any appreciation in the value of the Company's Shares; and

- (vi) to make the Group's remuneration scheme more competitive to attract more skilled and experienced individuals to join the Group and contribute to its continued growth.

The non-executive Directors are also eligible to participate in the Proposed ESOS in order to recognise the contributions and efforts made by the non-executive Directors as they play an important role in providing oversight function in monitoring governance, internal control and risk management. Their participation in the equity of the Company is expected to enhance their level of commitment and contribution as well as to enable the Company to attract and retain capable individuals to act as non-executive Directors of the Company, who will assist in the overall strategic decisions and directions of the Group.

5. DETAILS OF EQUITY FUND-RAISING EXERCISES UNDERTAKEN IN THE PAST 12 MONTHS

The Company was listed on the ACE Market of Bursa Securities on 20 January 2021 and has raised gross proceeds of approximately RM31.92 million from the Initial Public Offering ("IPO"). The status of the utilisation of proceeds raised from the IPO is as follows:

Details of utilisation	Actual proceeds raised	Amount utilised at as the LPD	Balance unutilised	Estimated timeframe for utilisation after listing
Capital expenditure and expansion	13,031	5,972	7,059	Within 24 months
Repayment of bank borrowings	7,783	4,546	3,237	Within 12 months
Working capital	5,207	-	5,021	Within 24 months
Sales and marketing expenses	2,000	-	2,000	Within 36 months
Estimated listing expenses	3,900	4,086	-	Within 3 months
	31,921	14,604	17,317	

Save as disclosed above, HPP has not undertaken any fund-raising exercise in the past 12 months up to the LPD.

6. EFFECTS OF THE PROPOSED ESOS

6.1 Issued share capital

The Proposed ESOS will not have an immediate effect on the existing issued share capital of HPP until such time when the new HPP Shares are issued arising from the exercise of the ESOS Options pursuant to the Proposed ESOS. The issued share capital of the Company may increase progressively depending on the number of new HPP Shares which may be issued pursuant to the Proposed ESOS and the Option Price during the ESOS Period. However, should the ESOS Options be satisfied via transfer of the Company's treasury shares (if any), then there will be no effect on the issued share capital of the Company. As at the LPD, the Company does not hold any treasury shares.

For illustrative purposes, the pro forma effects of the Proposed ESOS on the issued share capital of the Company as at the LPD, are as follows:

	No. of Shares	RM
Issued share capital as at the LPD	388,430,000	90,208,055
Shares to be issued arising from the exercise of ESOS Options pursuant to the Proposed ESOS	(i) 58,264,500	(ii) 26,219,025
Enlarged issued share capital	446,694,500	116,427,080

Notes:

- (i) Calculated based on 15% of the total number of issued shares of the Company as at the LPD.
- (ii) Calculated based on the indicative Option Price of RM0.45, which represents a discount of approximately RM0.05 or 10.00% to the 5-day VWAP of HPP Shares of up to and including the LPD of RM0.50 for each Share.

6.2 NA and NA per Share and gearing

Save for the potential impact of the Malaysian Financial Reporting Standards 2, on “Share-Based Payment” (“**MFRS 2**”) issued by the Malaysian Accounting Standards Board, as elaborated in Section 6.3 of this Circular, the Proposed ESOS is not expected to have an immediate effect on the NA, NA per Share and gearing of HPP Group until such time when the Shares are issued and/or transferred via treasury shares (if any) arising from the exercise of the ESOS Options pursuant to the Proposed ESOS.

Any potential effect on the NA, NA per Share and gearing of HPP Group in the future would depend on factors such as the actual number of Shares to be issued and/or transferred via treasury shares (if any) arising from the exercise of the ESOS Options as well as the Option Price at the relevant point in time. The NA per Share will increase if the Option Price is higher than the NA per Share of HPP Group, and the NA per Share will decrease if the Option Price is lower than the NA per Share.

6.3 Earning and EPS

Apart from the estimated expenses to be incurred for the Proposed ESOS of approximately RM0.12 million, the Proposed ESOS is not expected to have a material effect on the earnings of the Group for the financial year ending 31 May 2022. However, the EPS of the Group for financial year ending 31 May 2022 may be diluted, depending on the number of Shares issued and/or transferred via treasury shares (if any) arising from the exercise of the ESOS Options. The Proposed ESOS is expected to be implemented in the 4th quarter of 2021.

In accordance with the MFRS 2, the potential cost arising from the granting of the ESOS Options, which is measured by the fair value of the ESOS Options after taking into consideration, *inter alia*, the actual number of ESOS Options granted and vested and the Option Price of the ESOS Options, will need to be measured at the grant date and be recognised as an expense in the consolidated statements of comprehensive income of the Company over the vesting period of the ESOS Options, and may therefore reduce the future earnings of HPP Group, the quantum of which can only be determined at the grant date.

The potential effects of the Proposed ESOS on the earnings and EPS of HPP Group in the future, as a consequence of the recognition of the expense at each grant date, cannot be determined at this juncture as it would depend on various factors that may include, amongst others, the Option Price, the current price of HPP Shares and the volatility of HPP Share price, which will affect the fair value of the ESOS Options granted under the Proposed ESOS at the grant date. It should be noted that such potential cost of granting the ESOS Options does not represent a cash outflow but only an accounting treatment.

The Company has taken note of the potential impact of MFRS 2 on HPP Group's earnings and will take into consideration such impact in the granting and vesting of the Options under the Proposed ESOS.

6.4 Substantial shareholders' shareholdings

The Proposed ESOS will not have any immediate effect on the shareholdings of the substantial shareholders of the Company until such time when the HPP Shares are issued and/or transferred via treasury shares (if any) arising from the exercise of the ESOS Options. Any potential effect on the substantial shareholders' shareholdings in HPP will depend on the actual number of HPP Shares to be issued and/or transferred via treasury shares (if any) arising from the exercise of the ESOS Options.

6.5 Convertible securities

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

7. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of the HPP Shares as traded on Bursa Securities since the admission of HPP to the Official List of Bursa Securities on 20 January 2021 up to August 2021 are as follows:

	Low RM	High RM
2021		
January	0.51	0.92
February	0.55	0.74
March	0.51	0.66
April	0.60	0.65
May	0.52	0.67
June	0.51	0.61
July	0.47	0.54
August	0.48	0.52

Last transacted price of HPP Shares on 5 August 2021
(being the day prior to the date of the Announcement) 0.52

Last transacted price of HPP Shares on 24 September 2021
(being the latest practicable date prior to the printing of this Circular) 0.50

(Source: Bloomberg)

8. APPROVALS REQUIRED

The Proposed ESOS is subject to the approvals being obtained from the following:

- (i) Bursa Securities for the listing of and quotation for up to 15% of the total number of issued shares of HPP to be issued arising from the exercise of the ESOS Options under the Proposed ESOS.

The approval from Bursa Securities for the Proposed ESOS was obtained vide its letter dated 10 September 2021, and is subject to the following conditions:

No.	Conditions	Status of compliance
(1)	Affin Hwang IB is required to submit a confirmation to Bursa Securities of full compliance of the Proposed ESOS pursuant to Rule 6.44(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 general meeting;	To be complied.
(2)	HPP is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the Proposed ESOS, as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied.

- (ii) the shareholders of HPP at the EGM of the Company to be convened; and
- (iii) any other relevant authorities and/or parties, if required.

9. INTER-CONDITIONALITY

The Proposed ESOS is not conditional upon any other corporate exercise undertaken or to be undertaken by the Company.

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

Save as disclosed below, none of the directors, major shareholders, chief executive of the Company and/or persons connected with them have any interest, directly and/or indirectly, in the Proposed ESOS.

All of the Directors and chief executive of HPP are entitled to participate in the Proposed ESOS and are therefore deemed interested in the Proposed ESOS to the extent of their respective allocations, if any, as well as allocations to persons connected with them, if any, under the Proposed ESOS ("**Interested Directors**").

Accordingly, the Interested Directors have abstained and will continue to abstain from deliberating and voting, in respect of their direct and/or indirect shareholdings in HPP, on the resolutions pertaining to their respective allocations, if any, as well as the allocations to persons connected with them, if any, under the Proposed ESOS at the relevant Board meetings and general meetings.

Certain major shareholders of HPP namely Lau Tee Tee @ Lau Kim Wah, Kok Hon Seng and Ng Soh Hoon are also Eligible Persons (collectively referred to as the “**Interested Major Shareholders**”). Accordingly, the Interested Major Shareholders will abstain from voting, in respect of their direct and/or indirect shareholdings in HPP, on the resolutions pertaining to their respective allocations, if any, as well as the allocations to the persons connected with them under the Proposed ESOS at the general meetings.

Ng Soh Moy, sister-in-law of Kok Hon Seng and the sister of Ng Soh Hoon, who is also an employee of the HPP Group, will be entitled to participate in the Proposed ESOS (“**Interested Person Connected**”). Accordingly, she will abstain from voting, in respect of her direct and/or indirect shareholdings in HPP, if any, on the resolutions pertaining to her allocation, if any, and on allocations to Kok Hon Seng and Ng Soh Hoon under the Proposed ESOS at the general meetings. Kok Hon Seng and Ng Soh Hoon will also abstain from voting, in respect of their direct and/or indirect shareholdings in HPP, on the resolution pertaining to the allocation to Ng Soh Moy, if any, under the Proposed ESOS at the general meetings and vice versa.

The Interested Directors and Interested Major Shareholders will ensure that persons connected with them shall abstain from voting, in respect of their direct and/or indirect shareholdings in HPP, on the resolutions pertaining to the Interested Directors’ and Interested Major Shareholders’ respective allocations, if any, as well as the allocations to the persons connected with them, if any, under the Proposed ESOS at the general meetings.

The shareholdings of the Interested Directors, Interested Major Shareholders and Interested Person Connected as at the LPD are as follows:

	As at the LPD			
	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
<u>Interested Directors</u>				
Lau Tee Tee @ Lau Kim Wah	7,688,268	1.98	(i)207,847,837	53.51
Kok Hon Seng	23,091,528	5.94	(ii)214,800,295	55.30
Ng Soh Hoon	13,904,665	3.58	(iii)223,987,158	57.67
Philip Goh Teck Siang	200,000	0.05	-	-
Choo Chee Beng	-	-	-	-
Lee Chong Leng	400,000	0.10	-	-
<u>Interested Directors and Major Shareholders</u>				
Lau Tee Tee @ Lau Kim Wah	7,688,268	1.98	(i)207,847,837	53.51
Kok Hon Seng	23,091,528	5.94	(ii)214,800,295	55.30
Ng Soh Hoon	13,904,665	3.58	(iii)223,987,158	57.67
<u>Interested Person Connected</u>				
Ng Soh Moy	-	-	-	-

Notes:

- (i) Deemed interest by virtue of his and his spouse, Chong Fea Chin’s interest in Aurora Meadow and Chong Fea Chin’s direct interest in HPP pursuant to Section 8 of the Act.
- (ii) Deemed interest by virtue of his and his spouse, Ng Soh Hoon’s interest in Aurora Meadow and Ng Soh Hoon’s direct interest in HPP pursuant to Section 8 of the Act.
- (iii) Deemed interest by virtue of her and her spouse, Kok Hon Seng’s interest in Aurora Meadow and Kok Hon Seng’s direct interest in HPP pursuant to Section 8 of the Act.

11. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Proposed ESOS, including but not limited to the rationale and effects of the Proposed ESOS, is of the opinion that the Proposed ESOS is in the best interest of the Company.

Accordingly, the Board recommends that you vote in favour of the resolutions pertaining to the Proposed ESOS to be tabled at the forthcoming EGM of the Company.

However, in view that the directors of HPP are deemed interested in the Proposed ESOS to the extent of their respective allocations, if any, as well as allocations to persons connected with them, if any, under the Proposed ESOS, they have abstained and will continue to abstain from expressing an opinion and making any recommendation on their respective allocations, if any, as well as allocations to persons connected with them, if any, under the Proposed ESOS.

12. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposed ESOS is expected to be implemented in the 4th quarter of 2021.

13. CORPORATE EXERCISE ANNOUNCED BUT NOT YET COMPLETED

Save for the Proposed ESOS, the Board confirms that there is no other outstanding corporate exercise which has been announced but pending completion as at the LPD.

14. EGM

The EGM, the notice of which is set out in this Circular, will be conducted on fully virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting facilities via the online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC: D6A357657) on Friday, 29 October 2021 at 11.30 a.m. or immediately after the conclusion or adjournment (as the case may be) of the Company's Third Annual General Meeting, to be conducted on fully virtual basis on the same day at 10.00 a.m., whichever is later, for the purpose of considering and, if thought fit, passing the resolutions to give effect to the Proposed ESOS.

If you are unable to attend and vote in person at the EGM, you may appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you must complete the Proxy Form in accordance with the instructions contained therein and lodge the same at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time fixed for holding the EGM or any adjournment thereof. Alternatively, the Proxy Form may be electronically submitted to Boardroom Share Registrars Sdn. Bhd. via Boardroom Smart Investor Online Portal (applicable to individual shareholder only) at <https://investor.boardroomlimited.com> not less than 48 hours before the time fixed for holding the EGM or any adjournment thereof.

The lodging of Proxy Form will not preclude you from attending and voting in person should you subsequently decide to do so.

For further information on electronic submission of Proxy Forms and participation at the EGM, kindly refer to the Administrative Guide.

15. FURTHER INFORMATION

Shareholders are advised to refer to the appendices as set out in this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
HPP HOLDINGS BERHAD

KOK HON SENG
EXECUTIVE DIRECTOR / GROUP MANAGING DIRECTOR

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS

**THE BY-LAWS OF THE
EMPLOYEES' SHARE OPTION SCHEME OF
HPP HOLDINGS BERHAD**

1. NAME OF SCHEME

This Scheme shall be called the "HPP Holdings Employees' Share Option Scheme".

2. DEFINITIONS AND INTERPRETATION

2.1 In these By-Laws, except where the context otherwise requires, the following terms and expressions shall have the following meanings:

- | | | |
|-----------------------------|----|---|
| "Act" | - | The Companies Act 2016 as may be amended from time to time and includes any re-enactment thereof or any new act enacted and gazetted to replace and supersede the Act |
| "Available Balance" | - | The unissued shares of the Company which is available for the offer of further ESOS Options subject to the limit set out in By-Law 3.2 and after deducting all ESOS Options which have been offered and accepted |
| "Board" | - | The Board of Directors of the Company |
| "Bursa Securities" | - | Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W)) |
| "By-Law(s)" | - | The rules, terms and conditions of the Scheme (as may be amended, varied or supplemented from time to time in accordance with By-Law 22) |
| "CDS" | - | A Central Depository System governed under the Security Industry (Central Depositories) Act 1991 |
| "CDS Account" | - | An account established by Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W)) for a depositor for the recording of deposits of securities and dealings in such securities by the depositor |
| "Constitution" | - | The Constitution of the Company, as amended from time to time |
| "Date of Acceptance" | of | - |
| | | The date whereupon the ESOS Committee shall receive the written notice from an Eligible Person accepting an Offer |
| "Date of Expiry" | - | The last day of the duration of the Scheme or last day of any extended period as provided in By-Law 19.3 |
| "Date of Offer" | - | The date on which an Offer (including any subsequent Offers) is made by the ESOS Committee to an Eligible Person in the manner provided in By-Law 6 |

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

“Director(s)”		- Directors (either an executive director or a non-executive director) of any company within the Group (excluding dormant subsidiaries, if any) and ‘Director’ shall be construed accordingly
“Effective Date”		- The effective date for the launching and/or implementation of the Scheme, as provided in By-Law 19.1
“Eligible Director(s)”		- Director(s) who fulfils the conditions of eligibility stipulated in By-Law 4.1
“Eligible Employee(s)”		- Employee(s) who fulfils the conditions of eligibility stipulated in By-Law 4.1
“Eligible Person(s)”		- Eligible Employee(s) or Eligible Director(s), as the case may be
“Entitlement Date”		- The date as at the close of business on which shareholders’ names must appear on the Record of Depositors of HPP Holdings in order to participate in any dividends, rights, allotments or other distributions
“Employee(s)”		- A natural person which is employed by and on the payroll of any company in the Group
“ESOS” “Scheme”	or	- The employees’ share option scheme for the granting of ESOS Options to Eligible Persons to subscribe for Shares upon the terms as herein set out, such scheme to be known as the “HPP Holdings Employees’ Share Option Scheme”
“ESOS Committee”		- A committee comprising of Director(s) and/or Senior Management (as defined in By-Law 5.1) or other persons appointed from time to time by the Board to administer the Scheme, in accordance with the provisions of By-Law 21
“ESOS Option(s)”		- The right of a Grantee to subscribe for Shares pursuant to the contract constituted by acceptance by the Grantee in the manner provided in By-Law 7 of an Offer made to such Grantee by the ESOS Committee pursuant to By-Law 6
“ESOS Period”	Option	- The period commencing from the Date of Offer and expiring on the Date of Expiry of the Scheme as provided in By-Law 19.3 . In the event that the duration of the Scheme shall be extended, the Date of Expiry of the Scheme shall be the date of expiry as so extended
“Grantee”		- An Eligible Person who has accepted an Offer (or any part thereof) in the manner provided in By-Law 7
“HPP” “Company”	or	- HPP Holdings Berhad (Registration No. 201801043588 (1305620-D))

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

- | | |
|---------------------------------------|--|
| “HPP Group” or “Group” | - Collectively, the Company and its subsidiaries as defined under Section 4 of the Act which are not dormant. Subsidiaries shall include subsidiaries which are existing as at the Effective Date and subsidiaries which are incorporated or acquired at any time during the duration of the Scheme, but exclude any subsidiaries which have been divested in the manner provided under By-Law 17.2 |
| “HPP Share(s)” or “Share(s)” | - Ordinary share(s) in HPP |
| “Listing Requirements” | - The ACE Market Listing Requirements of Bursa Securities, as may be amended from time to time |
| “Market Day(s)” | - A day in which Bursa Securities is open for the trading of securities |
| “Maximum Allowable Allocation” | - The maximum number of Shares that may be offered and allotted to the Eligible Persons in accordance with the provisions of By-Law 6 |
| “Offer(s)” | - Written offer(s) made by the ESOS Committee to an Eligible Person in the manner provided in By-Law 6 |
| “Option Certificate” | : The certificate issued by the ESOS Committee confirming the grant of the Option to an Eligible Person, the Option Price together with the number of Shares comprised in the Option, and where applicable, the ESOS Option Period and any vesting conditions as specified in the Offer |
| “Option Price” | - The price at which a Grantee shall be entitled to subscribe for each new Share as calculated in accordance with the provisions of By-Law 11 |
| “Unexercised Options” | : Options and any part thereof which have not been fully exercised at the relevant time and in respect of which the Option Period has not expired |
- 2.2 For the purposes of these By-Laws, all references made to “Bursa Securities” and “Listing Requirements” shall where the context so permits and requires, include or refer to such other relevant authority(ies) and such acts, enactments, rules, regulations and guidelines currently or from time to time hereafter in force affecting the valid implementation and continuation of the Scheme in accordance with the provisions of these By-Laws.
- 2.3 The headings in these By-Laws are for ease of reference only and shall not be taken into account in the interpretation of these By-Laws.
- 2.4 References to the provisions of statutes include such provisions as amended or re-enacted from time to time, and references to statutes or listing requirements include any consolidations, replacements or revisions of the same.
- 2.5 Words importing the masculine gender shall include the feminine and neuter genders and vice versa.
- 2.6 Words importing the singular number shall include the plural number and vice versa.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

- 2.7 If an event is to occur on a stipulated day, which is not a Market Day, then the stipulated day will be taken to be the first (1st) Market Day after that day.
- 2.8 A "Day" or "Month" means calendar day or calendar month.
- 2.9 Any liberty or power which may be exercised or any determination which may be made hereunder by the ESOS Committee shall be exercised in the ESOS Committee's absolute and unfettered discretion and the ESOS Committee shall not be under any obligation to give any reason there for except as may be required by the relevant authorities or under the law.

3. MAXIMUM NUMBER OF SHARES AVAILABLE UNDER THE SCHEME

- 3.1 Each ESOS Option shall be exercisable into one (1) Share in accordance with the provisions of these By-Laws.
- 3.2 The maximum number of Shares to be allotted and issued pursuant to the exercise of the ESOS Options that may be granted under the Scheme shall not, in aggregate, exceed fifteen percent (15%) of the total number of issued shares of the Company (excluding treasury shares, if any) of the Company at any one time throughout the duration of the Scheme as provided in **By-Law 19.3**.

The aggregate number of Shares available pursuant to the Scheme shall consist of:

- (i) the ESOS Options exercised by all the Grantees;
- (ii) the remaining ESOS Options exercisable by all the Grantees; and
- (iii) the unexpired Offers pending acceptance by all the Eligible Persons,

and shall not exceed an amount equivalent to fifteen percent (15%) of the prevailing total number of issued shares of the Company (excluding treasury shares, if any) at any point of time.

- 3.3 Notwithstanding **By-Law 3.2** above or any other provision herein contained, in the event the maximum number of Shares comprised in the ESOS Options granted under the Scheme exceeds the aggregate of fifteen percent (15%) of the prevailing total number of issued shares of the Company (excluding treasury shares, if any), at any one time of the Company as a result of the Company:
 - (i) purchasing its own Shares pursuant to Section 127 of the Act whereby the shares so purchased in treasury will not be taken into account in calculating the number of its issued shares, (to the extent it is permissible under the Listing Requirements and such other prevailing rules as may be implemented by Bursa Securities from time to time); or
 - (ii) undertaking any other corporate proposal and thereby diminishing the total number of issued shares of the Company, then the ESOS Options granted prior to the adjustment of the total number of issued shares of the Company (excluding treasury shares, if any) shall remain valid and exercisable in accordance with these By-Laws. However, in such a situation, the ESOS Committee shall not make any further Offers, unless and until such time when the total number of Shares to be issued under the Scheme falls below fifteen percent (15%) of the total number of issued shares (excluding treasury shares, if any), of the Company at any one time throughout the duration of the Scheme as provided in **By-Law 19.3**.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

4. ELIGIBILITY

- 4.1 To qualify as an Eligible Person for participation in the Scheme, a person must, as at the Date of Offer fulfil the following conditions:
- (a) in respect of an Employee, the Employee must fulfil the following criteria as at the Date of Offer:
 - (i) he/she is at least eighteen (18) years of age and he/she is not an undischarged bankrupt or subject to any bankruptcy proceedings;
 - (ii) he/she is employed on the Date of Offer –
 - (1) on a full-time basis and is on the payroll of any company in the Group or a continuous period of at least one (1) year in the Group and his/her employment has been confirmed by any company in the Group on the Date of Offer; or
 - (2) is employed by a corporation which is acquired by the Group during the ESOS period and becomes a subsidiary of the Group upon such acquisition, he/she must have completed a continuous employment service for a period of at least one (1) year in the Group following the date that such company becomes or is deemed to be a subsidiary of the Group and has not serviced a notice to resign or received a notice of termination prior to and up to the Date of Offer; and
 - (iii) such Employee falls within any other eligibility criteria (including variations to the eligibility criteria under **By-Law 4.1(a)(i) or (ii)** above) that may be determined by the ESOS Committee from time to time at its sole discretion, whose decision shall be final and binding.
 - (b) in respect of an Eligible Director, the Eligible Director must fulfil the following criteria as at the Date of Offer:
 - (i) he/she is at least eighteen (18) years of age and he/she is not an undischarged bankrupt or subject to any bankruptcy proceedings;
 - (ii) he/she has been appointed as a Director of any company within the Group which is not dormant for at least one (1) year prior to and up to the Date of the Offer; and
 - (iii) such Director fulfils any other criteria as may be determined by the ESOS Committee from time to time at its sole discretion, whose decision shall be final and binding.
 - (c) In respect of a Director, a major shareholder, a chief executive officer of the Company or a person connected with a Director or chief executive officer, the specific allocation of ESOS Options granted under the Scheme must have been approved by the shareholders of the Company at a general meeting.
 - (d) If the Eligible Person is employed by a company which is acquired by the Group during the duration of the Scheme and becomes a subsidiary whether directly or indirectly held by the Company upon such acquisition, the Eligible Person must fulfil the following as at the Date of Offer:
 - (i) he/she is at least eighteen (18) years of age and he/she is not an undischarged bankrupt or subject to any bankruptcy proceedings; and

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

- (ii) he/she is employed full time basis and is on the payroll of the newly acquired company for a continuous period of at least one (1) year and his/her employment has been confirmed by the newly acquired company.

The Eligible Person must fulfil any other criteria and/or fall within such category / designation of employment as may be determined by the ESOS Committee from time to time at its sole discretion, whose decision shall be final and binding.

Notwithstanding that, the selection of any Eligible Person for participation in the Scheme as well as the allocation of ESOS Options to any Eligible Person shall be at the sole and absolute discretion of the ESOS Committee and that the decision of the ESOS Committee shall be final and binding.

- 4.2 The ESOS Committee may, in its absolute discretion, change or waive any of the conditions of eligibility as set out in the **By-Law 4.1**. The selection of any Eligible Person for participation in the Scheme and number of Options to be offered to an Eligible Persons under the Scheme shall be made by the ESOS Committee at its sole and absolute discretion and the decision of the ESOS Committee shall be final and binding.
- 4.3 The Eligible Employees or Eligible Directors of the subsidiaries of the Company which are dormant shall not be eligible to participate in the Scheme.
- 4.4 Subject to **By-Law 4.1**, in the event that the ESOS Committee has determined that certain Eligible Persons are entitled to be offered additional ESOS Options and the Available Balance is insufficient to grant their full additional entitlements, the Available Balance may be distributed on such basis as the ESOS Committee may determine and such decision shall be final and binding.
- 4.5 The ESOS Committee has the sole and absolute discretion not to make further additional Offers regardless of the amount of the Available Balance.
- 4.6 Each Eligible Director can only participate in the Scheme in one (1) capacity irrespective of the number of directorships or positions he holds in the Group.
- 4.7 Eligibility under the Scheme does not confer a claim or right to participate in the Scheme unless the ESOS Committee has made an Offer to the Eligible Person under **By-Law 6**, and an Eligible Person does not acquire or has any rights over or in connection with any ESOS Options or the Shares comprised therein unless an Offer has been made by the ESOS Committee and has been accepted by the Eligible Person in accordance with the terms of the Offer and the Scheme.
- 4.8 A set of criteria on eligibility and criteria for allocation as determined by the Board from time to time shall be made available to the Eligible Persons. The allocation of the ESOS Options pursuant to the Scheme shall be verified by the audit committee of the Company at the end of each financial year and a statement made by the audit committee on the verification of such allocation shall be included in the annual report of the Company.
- 4.9 Where an Offer is made to an Eligible Person who is a member of the ESOS Committee, such grant of ESOS Option shall be decided and carried out by the ESOS Committee PROVIDED ALWAYS that such Eligible Person and persons connected to him/her who are also members of the ESOS Committee shall abstain from all deliberations and voting in respect of the Offer proposed to be granted to him/her at the relevant ESOS Committee meetings.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

5. BASIS OF ALLOCATION AND MAXIMUM ALLOWABLE ALLOCATION

5.1 Subject to any adjustment which may be made under the By-Laws, the aggregate number of Shares comprised in the ESOS Options to be offered to an Eligible Person shall be at the sole and absolute discretion of the ESOS Committee after taking into consideration, the performance, targets, position, annual appraised performance, seniority and length of service, contribution, category or grade of employment of the Eligible Person and such other factors that the ESOS Committee may deem relevant, subject to the following:

- (a) the total number of Shares made available under the Scheme shall not exceed the amount stipulated in **By-law 3.2** above;
- (b) the Directors and senior management of the Group shall not participate in the deliberation or discussion of their own allocation of ESOS Options under the Scheme as well as to persons connected with scheme;
- (c) the allocation to an Eligible Person who, either singly or collectively through persons connected with him, holds twenty percent (20%) or more of the total number of issued shares (excluding treasury shares, if any) of HPP Holdings, does not exceed ten percent (10%) of the total number of Shares to be issued under the Scheme (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time); and
- (d) not more than fifty percent (50%) of the Shares to be issued under the Scheme shall be allocated in aggregate to the Eligible Directors and Senior Management,

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

The term “**Senior Management**” shall refer to an Employee of the Group holding the position of senior manager (including Director) and above or other senior position and shall be subject to criteria to be determined by the ESOS Committee that may change from time to time and the term “**person(s) connected**” shall have the same meaning as defined in Paragraph 1.01 of the Listing Requirements.

- 5.2 (a) An Offer by the ESOS Committee to an Eligible Person shall be subject to a minimum of one hundred (100) Shares for each ESOS Option and in multiples of one hundred (100) Shares for each ESOS Option.
- (b) For avoidance of doubt, the ESOS Committee shall have the sole and absolute discretion in determining whether the Shares available for vesting under this Scheme are to be offered to the Eligible Person via:
 - (i) one single Offer (as the case may be) at a time to be determined by the ESOS Committee; or
 - (ii) several Offers (as the case may be) where the vesting of Shares comprised in those Offers is staggered or made in several tranches at such times and on terms determined by the ESOS Committee

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

provided always that the aggregate number of Shares in respect of the Offers granted to any Eligible Person shall not exceed an amount equivalent to fifteen percent (15%) of the prevailing total number of issued shares of the Company (excluding treasury shares) at any one (1) time. In deciding between (i) and (ii) above, the ESOS Committee shall consider, amongst others, whether it wishes to provide a one-off reward for the relevant Grantee's contribution to the Group to incentivise the Grantee's continued employment with the Group, or to motivate the relevant Grantee to achieve certain milestones throughout the course of the Grantee's career progression with the Group moving forward.

- (c) The ESOS Committee also has the discretion to determine, amongst others:
 - (i) whether or not to stagger the Offer over the duration of the Scheme and each Offer shall be separate and independent from the others;
 - (ii) the number of ESOS Options to be offered in each Offer;
 - (iii) whether or not the ESOS Options are subject to any vesting period and if so, the vesting conditions and whether such vesting is subject to performance target; and
 - (iv) such other terms and conditions as it shall deem fit and appropriate to be imposed for the participation in the Scheme.
- (d) In the event that an Eligible Person is moved to a higher category of employment or entitlement within the Scheme, his/her Maximum Allowable Allocation shall be increased accordingly with the scale of such category upon his/her confirmation in the higher category. However, the ESOS Committee has the sole and absolute discretion in deciding whether to grant ESOS Options or further ESOS Options, as the case may be, notwithstanding any such change in the Employee's Maximum Allowable Allocation.
- (e) In the event that an Eligible Person is moved to a lower category, the following provisions shall apply:
 - (i) his/her Maximum Allowable Allocation shall be reduced accordingly with the scale of such category;
 - (ii) in the event that the total number of ESOS Options which have been offered to him/her up to the date he/she is moved to the lower category is greater than his/her Maximum Allowable Allocation under such lower category, he/she shall be entitled to continue to hold and to exercise all unexercised ESOS Options held by him/her on such date but he/she shall not be entitled to be offered any further ESOS Options unless and until he/she is subsequently moved to a higher category or there is an increase to his/her Maximum Allowable Allocation under such lower category, so that his/her new Maximum Allowable Allocation is increased to an amount greater than the total number of ESOS Options which have already been offered to him/her; and
 - (iii) in the event that the total number of ESOS Options which have been offered to him/her as of the date he/she is moved to the lower category is less than his/her Maximum Allowable Allocation under such lower category, he/she shall be entitled to continue to hold and to exercise all unexercised ESOS Options held by him/her on such date and, subject to **By-Law 5.1** to be offered further ESOS Options up to his/her Maximum Allowable Allocation under such lower category.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

- 5.3 The ESOS Committee shall not be obliged in any way to offer to an Eligible Person all of the specified Maximum Allowable Allocation. The decision of the ESOS Committee shall be final and binding.
- 5.4 The ESOS Committee may at its sole and absolute discretion introduce additional categories of Eligible Persons which it shall deem necessary during the duration of the Scheme provided always that the Maximum Allowable Allocation in respect of these additional categories are in compliance with the relevant Listing Requirements and applicable laws.
- 5.5 The ESOS Committee may make more than one (1) Offer to an Eligible Person provided that the aggregate number of ESOS Options offered to an Eligible Person throughout the entire duration of the Scheme does not exceed his Maximum Allowable Allocation.
- 5.6 In implementing the Scheme, the ESOS Committee may at its absolute discretion decide that the Options be satisfied by the following methods:
 - (a) issuance of new Shares;
 - (b) transfer of the Company's treasury shares (if any) or any other methods as may be permitted by the Act; or
 - (c) a combination of any of the above.

6. OFFER

- 6.1 During the existence of the Scheme, the ESOS Committee may at its sole and absolute discretion at any time and from time to time make Offers in writing to an Eligible Person, subject to the Eligible Person's Maximum Allowable Allocation.
- 6.2 The ESOS Committee shall state the following particulars in the Offer:
 - (a) date of the Offer;
 - (b) the vesting conditions of the ESOS Options (if any/if applicable);
 - (c) the vesting date(s) of the ESOS Options (if any/if applicable);
 - (d) the number of ESOS Options that are being offered to the Eligible Person;
 - (e) the number of Shares which the Eligible Person shall be entitled to subscribe for upon the exercise of the ESOS Options being offered;
 - (f) the ESOS Option Period;
 - (g) the Option Price;
 - (h) the Offer Period as defined in **By-Law 6.3**; and

may include such / any other conditions as may be stipulated by the ESOS Committee.
- 6.3 An Offer shall be valid for a period of thirty (30) days from the Date of Offer or such period as may be determined by the ESOS Committee on a case-to-case basis ("**Offer Period**").

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

- 6.4 No Offer shall be made to any Eligible Person who is a Director, chief executive officer of the Company or who is a person connected with a Director or chief executive officer of the Company, unless such Offer and the grant of ESOS Options have previously been approved by the shareholders of the Company in a general meeting.
- 6.5 Without prejudice to **By-Law 21**, in the event of an error on the part of the Company in stating any of the particulars referred to in **By-Law 6.2**, the following provisions shall apply:
- (a) within one (1) month after the discovery of the error, the Company shall issue a supplemental Offer, stating the correct particulars referred to in **By-Law 6.2**;
 - (b) in the event that the error relates to particulars other than the Option Price, the Option Price applicable in the supplemental Offer shall remain as the Option Price as set out in the original Offer; and
 - (c) in the event that the error relates to the Option Price, the Option Price applicable in the supplemental Offer shall be the correct Option Price applicable as at the date of the initial Offer (as determined in accordance with **By-Law 11**), but it shall not apply to any ESOS Options which have already been exercised as at the date of issue of the supplemental Offer.
- 6.6 The Company shall keep and maintain at its expense a register of Grantees and shall enter in that register the names and addresses of the Grantees, the Maximum Allowable Allocation, the number of ESOS Options offered and accepted, the number of ESOS Options exercised, the Date of Offer, Date of Acceptance (as defined in **By-Law 7.1**) and the Option Price.

7. ACCEPTANCE

- 7.1 An Offer must be accepted by an Eligible Person within the Offer Period by written notice to the ESOS Committee accompanied by a payment of a nominal non-refundable consideration of Ringgit Malaysia One (RM1.00) only for the grant of the ESOS Options by way of telegraphic transfer or cash. The ESOS Committee shall be the person solely responsible to receive such payments. The date of receipt by the ESOS Committee of such written notice shall constitute the Date of Acceptance.
- 7.2 If an Offer is not accepted in the foregoing manner, the Offer shall automatically lapse upon the expiry of the Offer Period and shall be null and void and be of no further force and effect. The number of ESOS Options offered in the non-acceptance or lapsed Offer shall be deducted from the Maximum Allowable Allocation or the balance of the Maximum Allowable Allocation of that Eligible Person, and that Eligible Person shall not be entitled to be offered the number of ESOS Options offered in the lapsed Offer, in any Offers made in the future unless otherwise decided by the ESOS Committee. However, ESOS Options not taken up resulting from the non-acceptance or lapsed of Offers within the Offer Period shall thereafter form part of the balance of ESOS Options available under the Scheme for future Offers.
- 7.3 Within thirty (30) calendar days after due acceptance of the Offer in accordance with the provisions of the By-Laws, the Company shall issue to the Grantee an Option Certificate in such form as may be determined by the ESOS Committee from time to time confirming the grant of the Option to an Eligible Person, the Option Price together with the number of Shares comprised in the Option, and where applicable, the ESOS Option Period and any vesting conditions as specified in the Offer.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

- 7.4 The Offer shall automatically lapse and be null and void in the event of death of an Eligible Person or in the event an Eligible Person shall cease to be an Eligible Director or an Eligible Employee within the Group for any reason whatsoever or become a bankrupt prior to the acceptance of the Offer by the Eligible Person in the manner set out in **By-Law 7**.

8. NON-TRANSFERABILITY

- 8.1 An ESOS Option is personal to the Grantee and subject to the provisions of **By-Laws 14.1, 14.2 and 14.3**, is exercisable only by the Grantee personally during his lifetime.
- 8.2 An ESOS Option shall not be transferred, assigned, disposed of or made subject to any encumbrances by the Grantee save and except in the event of the death of the Grantee as provided under **By-Law 14.3**. Any such transfer, assignment, disposal or encumbrance shall result in the automatic cancellation of the ESOS Option.

9. EXERCISE OF OPTIONS

- 9.1 Subject to **By-Laws 14, 16 and 17**, an ESOS Option granted to an Eligible Person under the Scheme is exercisable by the Eligible Person in full or in part as the Eligible Person may be entitled under the ESOS Option at any time while the Grantee is in the employment by or appointment in the Group within the ESOS Option Period. There will be no restriction to the Eligible Person on the percentage of ESOS Options exercisable during the ESOS Option Period. Any partial exercise of an ESOS Option shall not preclude the Eligible Person from exercising the ESOS Option in respect of the balance of the Shares comprised in the ESOS Option. The Option Certificate shall be endorsed by the ESOS Committee stating, among others, the number of Shares which remain capable of being exercised.
- 9.2 Subject to any adjustments in accordance with **By-Law 15**, the ESOS Committee may, at any time and from time to time before or after an Option is granted, limit the exercise of the Options to a maximum number of Shares and/or such percentage of the total number of Shares relevant to the Option during such exercise period(s) (as determined by the ESOS Committee) within the ESOS Option Period and impose any other terms and conditions deemed appropriate by the ESOS Committee at its absolute discretion including amending/varying any terms and conditions imposed earlier subject always to the provisions of **By-Law 22**.

Any ESOS Options which remain unexercised at the expiry of the ESOS Option Period shall be automatically terminated without any claim against the Company.

- 9.3 A Grantee shall exercise his ESOS Options by notice in writing to the Company in the prescribed form stating the number of ESOS Options exercised, the number of Shares relating thereto and the Grantee's individual/nominee CDS Account number ("**Exercise Notice**"). The procedure for the exercise of ESOS Options to be complied with by a Grantee shall be determined by the ESOS Committee from time to time. The ESOS Options shall be exercised in multiples of and not less than one hundred (100) Shares. The exercise by a Grantee of some but not all of the ESOS Options which have been offered to and accepted by him/her shall not preclude the Grantee from subsequently exercising any other ESOS Options which have been or will be offered to and accepted by him/her, during the ESOS Option Period. In the event that the balance of the ESOS Options exercisable by a Grantee in accordance with these By-Laws shall be less than one hundred (100) Shares, the said balance shall, if exercised, must be exercised in a single tranche.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

- 9.4 Every Exercise Notice shall be accompanied by the relevant Option Certificate and a remittance in Ringgit Malaysia as may be determined by the ESOS Committee in the form of a banker's draft, banker's cheque, or by way of telegraphic transfer for the full amount of the subscription money in relation to the number of Shares in respect of which the Exercise Notice is given.
- 9.5 Within eight (8) Market Days of the receipt by the Company of such Exercise Notice and payment, or such other period as may be prescribed by Bursa Securities, and subject to the Constitution, the Company shall issue and/or transfer the relevant number of Shares to the Grantee. The said Shares will be credited directly into the Grantee's individual/nominee CDS Account as stipulated by the Grantee in the Exercise Notice, and a notice of allotment stating the number of Shares so credited will be issued to the Grantee. No physical certificates will be issued.
- 9.6 The Company, the Board and the ESOS Committee shall not under any circumstances be held liable to any person for any costs, losses, expenses, damages or liabilities howsoever arising in the event of any delay on the part of the Company in issuing and/or transferring the Shares or in procuring Bursa Securities to list and quote the Shares subscribed for by a Grantee or any delay in receipt or non-receipt by the Company of the Exercise Notice or for any errors in any Offers.
- 9.7 Any failure to comply with the procedures specified by the ESOS Committee or to provide information as required by the Company in the Exercise Notice or inaccuracy in the CDS Account number provided shall result in the Exercise Notice being rejected at the discretion of the ESOS Committee, and the ESOS Committee shall inform the Grantee of the rejection of the Exercise Notice within fourteen (14) Market Days from the date of rejection and the Grantee shall be deemed to not have exercised his/her ESOS Option.
- 9.8 Every ESOS Options shall be subjected to the condition that no Shares shall be issued pursuant to the ESOS Options if such issue 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 duration of the Scheme or such period as may be extended.

10. DISCIPLINARY PROCEEDING

- 10.1 Notwithstanding anything to the contrary contained in these By-Laws, the ESOS Committee shall have the discretion by giving notice in writing to any Grantee who is being subjected to any disciplinary proceeding (whether or not such disciplinary proceedings will give rise to a dismissal or termination of service) to suspend his rights to exercise his ESOS Option pending the outcome of such disciplinary proceeding. In addition to this rights of suspension, the ESOS Committee may impose such terms and conditions as it shall deem appropriate in its discretion, on the rights of exercise of the ESOS Option having regard to the nature of the charges made or brought against such Grantee, provided always that:
- (a) in the event such Grantee is found not guilty of the charges which gave rise to such disciplinary proceeding at the end of its proceedings, the ESOS Committee shall reinstate the rights of such Grantee to exercise his ESOS Option as if such disciplinary proceeding had not been instituted in the first place;

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

- (b) in the event such Grantee is found guilty but is not dismissed or terminated, the ESOS Committee shall have the rights to determine at its discretion whether or not the Grantee may continue to exercise his ESOS Option and if so, to impose such limits, terms and conditions as it deems appropriate, on such exercise rights; and
- (c) in the event the disciplinary proceeding resulted in a recommendation for the dismissal or termination of service of such Grantee, the ESOS Option shall be immediately terminated and be null and void and be of no further force and effect upon the Grantee being served the notice of the dismissal or termination of service notwithstanding that such recommendation may be subsequently challenged (successfully or otherwise) by the Grantee in any other forum; and
- (d) in the event that no decision is made and/or the disciplinary proceedings are not concluded prior to the Date of Expiry, the ESOS Options of such Grantee shall immediately lapse on the Date of Expiry without notice,

and nothing herein shall impose any obligation on the ESOS Committee to enquire into or investigate the substantiveness and/or validity of such disciplinary proceeding(s) and the ESOS Committee shall not under any circumstances be held liable for any costs, losses, expenses, damages or liabilities, gains or profits foregone, arising from the ESOS Committee's exercise of or failure to exercise any of its rights under this By-Law.

For the purpose of this By-Law, a Grantee shall be deemed to be subject to "disciplinary proceedings" if:

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

11. OPTION PRICE

The Option Price of each new Share comprised in any ESOS Option shall be determined by the Board upon recommendation of the ESOS Committee and fixed based on the five (5)-day volume weighted average price of the Shares immediately preceding the at the Date of Offer, with a discount of not more than ten percent (10%), subject to such adjustments as stipulated under **By-Law 15** or as may be amended, varied or supplemented from time to time.

The Option Price shall be stipulated in each Option Certificate.

12. RANKING OF THE SHARES TO BE ISSUED PURSUANT TO THE EXERCISE OF THE OPTIONS

The Shares to be issued/ and or transferred (via treasury shares, if any) upon the exercise of any ESOS Options shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing Shares, except that the Shares shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid, for which the entitlement date (namely the date as at the close of business on which shareholders must be registered in order to be entitled to any dividends, rights, allotments and/or other distributions) is prior to the date of issuance and/or transfer of the abovementioned Shares upon the exercise of any ESOS Options.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

The Shares will be subject to all the provisions of the Constitution including those relating to the transfer, transmission and otherwise of the Shares.

13. RETENTION/ RESTRICTION OF SHARES

The Shares to be issued and/or transferred (via treasury shares, if any) to a Grantee (save for an Eligible Director who is a non-executive Director) pursuant to the exercise of ESOS Options under the Scheme will not be subject to any retention period or restriction on transfer. However, the Company encourages the Grantee to hold such Shares for as long as possible although a Grantee may sell such Shares at any time after such Shares have been credited to the Grantee's individual/nominee CDS Account. The Shares allocated under the Scheme are intended for the Grantee to hold as an investment rather than for realisation to yield quick profit.

A Grantee, who is a non-executive Director shall not sell, transfer or assign the Shares obtained through the exercise of ESOS Options offered to him pursuant to the Scheme within one (1) year from the Date of Offer, as per Listing Requirements or such period as may be prescribed by Bursa Securities.

14. TERMINATION OF OPTION

14.1 Any ESOS Option which has not been exercised by a Grantee shall be automatically terminated in the following circumstances:

- (a) cessation of directorship or employment of the Grantee with the Group for any reason whatsoever, in which event the ESOS Option shall be automatically terminated on the day which the ESOS Committee shall at its absolute discretion determine on a case to case basis; or
- (b) upon the happening of any event which results in the Grantee being deprived of the beneficial ownership of the ESOS Option; or
- (c) if the Grantee becomes a bankrupt in which event the ESOS Option shall be automatically terminated on the day the Grantee is adjudicated bankrupt; or
- (d) winding up or liquidation of the Company, in which event the ESOS Options shall be automatically terminated and/or cease to be valid on the following date:
 - (i) in the case of a voluntary winding up, the date on which a provisional liquidator is appointed by the Company; or
 - (ii) in the case of an involuntary winding up, the date on which a petition for winding up is served on the Company; or
- (e) termination of the Scheme pursuant to **By-Law 19.3**, in which event the ESOS Options shall be automatically terminated and cease or cease to be valid without any claim against the Group on the Termination Date (as defined in **By-Law 19.6**).

Upon the termination of ESOS Options pursuant to **By-Law 14.1** above, the Grantee shall have no right to compensation or damages or any claim against the Company for any loss of any right or benefit or prospective right or benefit under the Scheme which he might otherwise have enjoyed, whether for wrongful dismissal or breach of contract or loss of office or otherwise howsoever arising from his ceasing to hold office or employment or from the suspension of his right to exercise his ESOS Options or his ESOS Options ceasing to be valid on having been terminated.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

The Shares in respect of such Unexercised Options may be re-offered to other Eligible Persons at the discretion of the ESOS Committee.

- 14.2 Notwithstanding **By-Law 14.1** above, the ESOS Committee may at its sole and absolute discretion allow an ESOS Option to remain exercisable during the ESOS Option Period on such terms and conditions as it shall deem fit if the cessation occurs as a result of:
- (a) retirement in accordance with the applicable retirement policy of the Group, as may be amended from time to time, on attaining the Group's then prevailing retirement age;
 - (b) retirement before attaining the Group's then prevailing retirement age with the consent of his/her employer;
 - (c) ill-health, injury, physical or mental disability;
 - (d) expiration of the employment contract of the Grantee;
 - (e) redundancy, retrenchment or voluntary separation scheme;
 - (f) secondment or transfer to any company outside the Group at the direction of the Company; or
 - (g) any other circumstances which are acceptable to the ESOS Committee in its sole and absolute discretion.
- 14.3 All Options which the ESOS Committee permits to be exercisable pursuant to the **By-Law 14.2** shall automatically lapse and shall become null and void to the extent unexercised by the date prescribed by the ESOS Committee notwithstanding that the ESOS Option Period has not commenced or has not expired.
- 14.4 In the event that a Grantee dies before the expiry of the ESOS Option Period and, at the date of death, holds any ESOS Options which are unexercised, such ESOS Options may be exercised by the personal or legal representative of the deceased Grantee within the ESOS Option Period or within twelve (12) months after the Grantee's death, whichever expires first, subject to the approval of the ESOS Committee and/or terms and conditions as set out by the ESOS Committee.
- 14.5 Unless otherwise agreed in writing by the ESOS Committee at its sole discretion, upon the resignation of the Grantee from his/her employment or directorship with the Group (as the case may be) or on the Grantees last day of employment, an ESOS Option shall lapse forthwith on the date the Grantee tenders his/her resignation. Any ESOS Option which lapses upon the resignation of the Grantee from his/her employment or directorship with Group (as the case may be), at the discretion of the ESOS Committee, shall be offered to other Eligible Persons.
- 14.6 In the event of the liquidation of the Company, all unexercised or partially exercised ESOS Options shall lapse.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

15. ALTERATION OF CAPITAL

15.1 Subject to **By-Law 15.3**, in the event of any alteration in the capital structure of the Company during the ESOS Option Period, whether by way of a rights issue, bonus issue or other manner of capitalisation, consolidation or subdivision of shares or reduction of capital or otherwise howsoever implemented, the Company shall cause such adjustment to be made to:

- (a) the number of ESOS Options granted to each Grantee (excluding ESOS Options already exercised); and/or
- (b) the Option Price,

for purposes of ensuring that the capital outlay to be incurred by the Grantee in subscribing for the same proportion of the total number of issued shares to which he was entitled prior to the event giving rise to such adjustment (i.e. not taking into account any ESOS Options already exercised) shall remain unaffected. Notwithstanding the above, the ESOS Committee may, at its discretion, determine whether the Option Price and/or the number of unexercised ESOS Options shall be adjusted, and if so, the manner in which such adjustments should be made. Any such adjustment must be confirmed in writing by the external auditors or the principal adviser (acting as experts and not as arbitrators) of the Company to be in their opinion, fair and reasonable.

The computation for the adjustment to the number of ESOS Options granted to each Grantee and/or the Option Price is set out in **Attachment 1** to these By-Laws.

15.2 **By-Law 15.1** 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 pursuant to the exercise of ESOS Options under the Scheme;
- (b) an issue of securities as consideration for an acquisition;
- (c) an issue of securities as a private placement;
- (d) an issue of securities as a special issue approved by the relevant governmental authorities;
- (e) a restricted issue of securities;
- (f) an issue of new Shares arising from the exercise of any conversion rights in respect of securities convertible into new Shares including but not limited to warrants, convertible loan stocks and convertible preference shares;
- (g) an issue of further ESOS Options to Eligible Persons under these By-Laws;
- (h) a purchase by the Company of its own Shares pursuant to Section 127 of the Act. In such event, the following provisions shall apply:
 - (i) if the number of Shares in respect of ESOS Options granted by the Company as at the date of designation of the Shares so purchased as treasury shares or cancellation of such purchased Shares is greater than fifteen percent (15%) of the prevailing total number of issued shares of the Company after such designation or cancellation, the ESOS Committee shall not make any further Offers; and

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

- (ii) if the number of Shares in respect of ESOS Options granted by the Company as at the date of designation of the Shares so purchased as treasury shares or cancellation of such purchased Shares is less than fifteen percent (15%) of the prevailing total number of issued shares of the Company after such designation or cancellation, the ESOS Committee may make further Offers only until the total number of ESOS Options granted by the Company but which remains unexercised is equivalent to fifteen percent (15%) of the prevailing total number of issued shares of the Company after such designation or cancellation.
- 15.3 In the event that the Company enters into any scheme of arrangement or reconstruction pursuant to Division 7, Subdivision 2 of the Act, **By-Law 15.1** 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 provided always that **By-Law 15.1** shall not be applicable in respect of such part(s) of the scheme which involve(s) any alteration(s) in the capital structure of the Company to which **By-Law 15.2** applies.
- 15.4 Upon any adjustment being made in accordance with **By-Law 15.1**, the ESOS Committee shall give notice in writing within a period of thirty (30) days from the date of the adjustment to the Grantee, or his legal or personal representative where the Grantee is deceased, to inform him of the adjustment and the event giving rise thereto. Any adjustments must be confirmed in writing by the Company's external auditors or a principal adviser. Nevertheless, for the avoidance of doubt, by virtue of **By-Law 26**, the decision of the Board shall be final and binding in all respects.
- 15.5 In the event of a dispute in respect of any adjustment, any Grantee may request the Company to seek the opinion of an approved company auditor or a principal adviser, acting as an expert and not as an arbitrator, as to its fairness and that this be confirmed in writing. In addition, the Company shall in such situations, at the request of any Grantee, furnish such Grantee with a certificate from an approved company auditor or a principal adviser stating the opinion of such auditor/principal adviser, acting as an expert and not as an arbitrator. For the purposes of this By-Law, an approved company auditor shall have the meaning given in Section 263 of the Act and a principal adviser shall be a corporate finance adviser licensed to make submissions to the Securities Commission Malaysia for corporate proposals. Nevertheless, for the avoidance of doubt, by virtue of **By-Law 26**, the decision of the Board shall be final and binding in all respects.
- 16. TAKE-OVERS, SCHEME OF ARRANGEMENT, AMALGAMATION, RECONSTRUCTION, ETC.**
- 16.1 In the event of:
- (a) a takeover offer being made, under the Malaysian Code on Take-Overs and Mergers 2016 and Rules on Take-Overs, Mergers and Compulsory Acquisitions (or any replacement thereof), for the Company through a general offer to acquire the whole issued share capital of the Company (or such part thereof not at the time owned by the person making the general offer ("Offeror") or any persons acting in concert with the Offeror) and such takeover offer is announced by the Offeror as being unconditional or have become unconditional, a Grantee will be entitled within such period to be determined by the ESOS Committee, to exercise all or any part of his Options and the Directors of the Company shall use their best endeavours to procure that such a general offer be extended to the Shares that may be issued pursuant to the exercise of the Options under this By-Law; or

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

- (b) the Offeror becoming entitled or bound to exercise the rights of compulsory acquisition of the Shares under the provisions of any applicable status, rules and/or regulations and gives notice to the Company that it intends to exercise such right on a specific date ("**Specified Date**"), a Grantee will be entitled to exercise all or any part of his Options from the date of service of the said notice to the Company until expiry of the Specified Date; or
- (c) the Company disposes of all or substantially all of its assets and the disposal becomes unconditional, a Grantee will be entitled to exercise all or any part of his Options from the unconditional date of the said disposal until the date prescribed by the ESOS Committee within the Option Period;

Subject to such terms and conditions (if any) as may be prescribed by the ESOS Committee.

16.2 In the event of:

- (a) the Court sanctioning a compromise or arrangement between the Company and its members 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 or a privatisation via selective capital reduction, the ESOS Committee may permit the exercise of any Unexercised Options by the Grantee or Grantee's legal and personal representatives, as the case may be, at any time commencing from the date upon which the compromise or arrangement is sanctioned by the court or a date to be specified by the ESOS Committee within the Option Period up to such period as may be determined by the ESOS Committee provided that no Options shall be exercised after the expiry of the Option Period; or
- (b) the Company decides to merge with other company or companies, the ESOS Committee may permit the exercise of any Unexercised Options by the Grantee or Grantee's legal and personal representatives, as the case may be, at any time commencing from the unconditional date of the said transaction until the date prescribed by the ESOS Committee within the Option Period;

Subject to such terms and conditions as may be prescribed by the ESOS Committee.

- 16.3 All Options which the ESOS Committee permits to be exercisable pursuant to **By-Law 9** shall automatically lapse and shall become null and void to the extent unexercised by the date prescribed by the ESOS Committee.

17. DIVESTMENT FROM AND TRANSFER TO/FROM THE GROUP

- 17.1 In the event that a company within the Group shall be divested from the Group, a Grantee who is holding directorship in or employed by such company shall be entitled to continue to hold and to exercise all the ESOS Options held by him on the date of completion of such divestment until the expiry of three (3) months from the date of completion of such divestment subject to such exercise being made within the ESOS Option Period and in accordance with the provisions of **By-Law 9.3**. In the event that the Grantee does not so exercise some or all of such ESOS Options, the unexercised ESOS Options shall be automatically terminated upon the expiry of the said three (3) months period.
- 17.2 For the purposes of **By-Law 17.1**, 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.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

17.3 In the event that the Grantee is transferred from the Group to any associated companies of the Group (which definition shall be that which is adopted by the Financial Reporting Standard issued by the Malaysian Accounting Standards Board) or to any related companies (as defined in Section 7 of the Act) of the Company which have an existing employees' share option scheme in which the Grantee will be entitled to participate, unless approved by the ESOS Committee in writing, the ESOS Options unexercised on the date of transfer shall be null and void and be of no effect.

17.4 In the event that:

- (a) an Eligible Person who was employed in a company which is related to the Company pursuant to Section 7 of the Act (that is to say, a company which does not fall within the definition of "the Group") and is subsequently transferred from such company to any company within the Group; or
- (b) an Eligible Person who was in the employment of a company which subsequently becomes a member of the Group as a result of a restructuring or acquisition exercise or otherwise involving the Company and/or any company within the Group with any of the first mentioned company stated in (a) above;

(the first abovementioned company in (a) and (b) herein referred to as the **"Previous Company"**), such Eligible Person of the Previous Company will be eligible to participate in this Scheme for its remaining ESOS Option Period, if the affected Eligible Person becomes an **"Eligible Person"** within the meaning under these By-Laws.

For the avoidance of doubt, in the event of any acquisition or incorporation of any company into the Group pursuant to part (b) above as a subsidiary as defined in Section 4 of the Act or any other statutory regulation in place thereof during the tenure of the Scheme, the Scheme shall apply to the Eligible Person 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 **By-Law 2** and the provisions of the By-Laws shall apply.

18. WINDING UP

All outstanding ESOS Options 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.

19. DURATION, TERMINATION AND EXTENSION OF THE SCHEME

19.1 The effective date for the implementation and launching of the Scheme shall be the date of full compliance with all the relevant requirements of the Listing Requirements including the following:

- (a) the submission of the final copy of the By-Laws to Bursa Securities pursuant to the Listing Requirements;
- (b) the receipt of approval-in-principle from Bursa Securities for the listing of and quotation for the new Shares to be issued from the exercise of the ESOS Options under the Scheme;
- (c) the approval of the Company's shareholders in a general meeting for the Scheme;
- (d) the approval(s) of any other relevant authorities, if any; and

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

- (e) the fulfilment of all conditions attaching to the aforesaid approvals, if any.
- 19.2 The Adviser of the Company shall submit a confirmation letter to Bursa Securities of full compliance pursuant to the Listing Requirements stating the Effective Date of the Scheme together with a certified true copy of the relevant resolution passed by the shareholders of the Company in a general meeting. The confirmation letter must be submitted to Bursa Securities no later than five (5) Market Days after the Effective Date.
- 19.3 The Scheme shall be in force for a period of five (5) years from the Effective Date, provided always that on or before the expiry thereof, the Board shall have the absolute discretion, without the approval of the Company's shareholders in a general meeting, to extend the duration of the Scheme (as the Board may deem fit) for up to a further five (5) years provided that the Company shall serve appropriate notices on each Grantee within thirty (30) days prior to the Date of Expiry and/or make the necessary announcements to Bursa Securities (if required). Any extended Scheme under this provision shall be implemented in accordance with the terms of the By-Laws, subject however to any revisions and/or changes to the relevant laws and/or regulations then in force.
- For avoidance of doubt, the duration of the Scheme shall not in aggregate exceed ten (10) years from the Effective Date.
- 19.4 Offers can only be made during the existence of the Scheme and before the Date of Expiry.
- 19.5 Notwithstanding anything to the contrary, all unexercised ESOS Options shall lapse on the Date of Expiry.
- 19.6 Notwithstanding the provisions of **By-Law 19.3**, and subject always to compliance with Bursa Securities and any other regulatory authorities' requirements, guidelines or directives, the Scheme may be terminated at any time during the duration of the Scheme by the ESOS Committee upon approval of the Board without obtaining the consents from the Grantees or approvals from the shareholders of the Company provided that the Company makes an announcement which shall include the effective date of termination ("**Termination Date**"), number of ESOS Options exercised or Shares vested and reasons for termination immediately to Bursa Securities pursuant to the Listing Requirements.
- 19.7 Upon termination of the Scheme, the following shall apply:
- (a) the ESOS Committee shall make no further Offers;
 - (b) all Offers which have yet to be accepted by the Eligible Persons shall automatically lapse on the Termination Date;
 - (c) all Offers which have yet to be vested in the Eligible Persons shall automatically lapse on the Termination Date; and
 - (d) all outstanding ESOS Options which have yet to be exercised by the Grantees and/or vested (if applicable) shall be automatically terminated and be null and void on the Termination Date.

For the avoidance of doubt, ESOS Options which have been exercised but where the Shares have yet to be issued and/or transferred (via treasury shares, if any) or registered in the name of the Eligible Person or his estate as at the date of the resolution to terminate the Scheme shall remain effective and the Company shall issue and/or transfer or register the Shares accordingly.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

20. SUBSEQUENT EMPLOYEE SHARES ISSUANCE SCHEME

Subject to the approval of the relevant authorities and compliance with the requirements of the relevant authorities, the Company may establish a new employees' share option scheme after the Date of Expiry or after the termination of the Scheme pursuant to **By-Law 19.6**, provided that the aggregate number of shares available under all the Schemes does not breach the maximum limit prescribed in the prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities as amended from time to time.

21. ADMINISTRATION

- 21.1 The Scheme shall be administered by the ESOS Committee. The ESOS Committee shall, subject to these By-Laws, administer the Scheme in such manner as it shall think fit.
- 21.2 Without limiting the generality of **By-Law 21.1**, the ESOS Committee may, for the purpose of administering the Scheme, do all acts and things and enter into any transaction, agreement, deed, documents or arrangement, and make rules, regulations or impose terms and conditions, rectify any errors in Offers, execute all documents and delegate any of its powers and duties relating to the Scheme as it may in its discretion consider to be necessary or desirable for giving effect to the Scheme.
- 21.3 The Board shall have power at any time and from time to time to rescind the appointment of any person appointed to the ESOS Committee as it shall deem fit.

22. MODIFICATION, VARIATION AND/OR AMENDMENTS TO THE BY-LAWS

- 22.1 Subject to **By-Law 22.2** and compliance with the Listing Requirements and the approvals of any other authorities (if required), the ESOS 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 subject to the Company submitting a confirmation letter to Bursa Securities for the amendment made, that the said amendment is in compliance with the provisions of the Listing Requirements pertaining to employees' share option scheme and Rules of the Depository (as defined under the Listing Requirements) pursuant to the Listing Requirements, within five (5) Market Days after the effective date of the amendments.
- 22.2 The approval of the shareholders of the Company in general meeting shall not be required for any amendments to the By-Laws PROVIDED THAT no additions or amendments to or deletions of these By-Laws shall be made which will:
- (a) materially prejudice any rights then accrued to any Grantee without the prior consent or sanction of that Grantee;
 - (b) increase the number of Shares available under the Scheme beyond the maximum imposed by **By-Law 5.1**;
 - (c) prejudice any rights of the shareholders of the Company; or
 - (d) alter to the advantage to the Eligible Person and/or Grantee any provisions of the Scheme without the prior approval of the Company's shareholders in a general meeting.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

- 22.3 For the purpose of complying with the provisions of Appendix 6E of the Listing Requirements, the provisions of **By-Laws 3, 4, 5, 7, 10, 11, 12, 13, 15, 18, 19, 22, 23** and **Attachment 1** shall not be amended or altered in any whatsoever to the advantage of Eligible Persons or Grantees without the prior approval of the Company's shareholders in a general meeting.

23. RIGHTS OF GRANTEE

- 23.1 The ESOS Options shall not carry any right to attend and vote at any general meeting of the Company. The Grantee shall not in any event be entitled to any dividends, distributions, rights or other entitlement on his unexercised ESOS Options.
- 23.2 Subject to the Constitution, all Grantees are entitled to inspect the latest audited financial statements of the Company during the usual business hours on any working day at the Registered Office of the Company.
- 23.3 The Shares, which are issued/transferred (via treasury shares, if any) and credited into the Grantee's CDS account upon the exercise of the Options, would carry rights to vote at any general meeting of the Company, if the Grantee is registered on the Record of Depositors on the entitlement date as at the close of business to be entitled to attend and vote at the general meeting.

24. SCHEME NOT A TERM OF EMPLOYMENT

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 nor any rights additional to any compensation or damages that the Eligible Person may be normally entitled to arising from the cessation of such employment. The Scheme shall not form part of or constitute or be in any way construed as a term or condition of employment of any employee of the Company.

25. NO COMPENSATION FOR TERMINATION

No Eligible Persons shall be entitled to any compensation for damages arising from the termination of any ESOS Options or this Scheme pursuant to the provisions of these By-Laws. Notwithstanding any provisions of these By-Laws:

- (a) this Scheme shall not form part of any contract of employment between the Company or any company within the Group and any Eligible Person. The rights of any Eligible Person under the terms of his/her employment with any company in the Group shall not be affected by his/her employment participation in the Scheme nor shall such participation or the ESOS Options afford such Eligible Person any additional rights to compensation or damages due to the termination of such employment for any reason whatsoever;
- (b) this Scheme shall not confer on any legal or equitable right or other rights under any other laws (other than those constituting the ESOS Options) against the Company or any company(ies) in the Group, or give rise to any course of legal action or in equity or under any other laws against the Company or company(ies) in the Group;

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

- (c) no Grantee or his/her personal or legal representative or any third party shall bring any claim action or proceeding against the Company, company in the Group, the ESOS Committee or the Board for any compensation, loss or damage whatsoever arising from the termination, suspension or cancellation of his/her rights to exercise of his/her ESOS Options or his/her ESOS Options ceasing to be valid pursuant to the provision of these By-Laws; and
- (d) the Company, the Board or the ESOS Committee or the company in the Group shall not in any event be liable to the Grantee and/or his/her personal or legal representative or any third party claim, loss of profits, loss of opportunity, loss of savings or any punitive, incidental or consequential damage/loss arising from the termination, breach or non-performance of these By-Laws or any loss suffered by reason of any change/adjustment in the price of the Share any other cause or reason whatsoever.

26. DISPUTES

In the event of any dispute or difference between the ESOS Committee and an Eligible Person or a Grantee, as the case may be, as to any matter of any nature arising under the Scheme, the ESOS Committee shall determine such dispute or difference by a written decision (without any obligation to give any reason thereof) given to the Eligible Person or the Grantee, as the case may be. The said decision shall be final and binding on the parties unless the Eligible Person or the Grantee, as the case may be, within fourteen (14) calendar days of the receipt thereof by written notice to the ESOS Committee, disputes the same in which case such dispute or difference shall be referred for decision by the Board, whose decision shall be final and binding in all respects, provided that any Directors of such Board meeting convened to determine the dispute who are also in the ESOS Committee shall abstain from deliberations and voting, and no person shall be entitled to dispute any decision or certification which is stated to be final and binding under these By-Laws.

27. COSTS AND EXPENSES

All fees, costs and expenses incurred in relation to the Scheme including but not limited to the fees, costs and expenses relating to the issuance and/or transfer of Shares pursuant to the exercise of ESOS Options, shall be borne by the Company.

Notwithstanding this, the Grantee shall bear any fees, costs and expenses incurred in relation to his/her acceptance and exercise of the Options under the Scheme and any holding or dealing of Shares to be issued and/or transferred (via treasury shares, if any) pursuant to the exercise of the Options, including brokerage commissions and stamp duties.

Any cost in relation to the loss of Option Certificate will be fully borne by the Grantee and such Grantee will have to sign a statutory declaration to declare the loss of the Option Certificate.

28. TAXES

Any income tax arising from the exercise of any ESOS Option under the Scheme shall be borne by the Grantee.

29. CONSTITUTION

In the event of a conflict between any of the provisions of these By-Laws and the Constitution, the Constitution shall prevail.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

30. SEVERABILITY

Any term, condition, stipulation, provision in these By-Laws which is illegal, void, prohibited or unenforceable shall be ineffective to the extent of such illegality, voidness, prohibition or unenforceability without invalidating the remainder thereof, and any such illegality, voidness, prohibition or unenforceability shall not invalidate or render illegal, void or unenforceable any other term, condition, stipulation, provision herein contained.

31. 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 Listing Requirements including (where applicable) a statement by the audit committee verifying that the allocation of ESOS Options pursuant to the Scheme is in compliance with the criteria for allocation disclosed by the Company to the Eligible Persons.

32. GOVERNING LAW

The Scheme and these By-Laws and all ESOS Options granted hereunder shall be governed by and construed in accordance with the laws of Malaysia.

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 Grantee 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 Grantee at the last address known to the Company as being his 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 Grantee, such notice or request shall be deemed to have been received on the date of delivery; or
- (c) if it is sent by electronic media, including but not limited to electronic mail, to the Eligible Person or the Grantee, such notice or request shall be deemed to have been received upon the date of delivery in the timestamp in such electronic media.

Any change of address of the Eligible Person or the Grantee shall be communicated in writing to the Company and the ESOS Option Committee.

33.2 Any certificate, notification or other notice required to be given to the Company or the ESOS Committee shall be properly given if sent by registered post or delivered by hand to the Company at its registered address or any other business address which may be notified in writing by the ESOS Committee from time to time.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

34. ERRORS AND OMISSIONS

34.1 If in consequence of an error or omission, the ESOS Committee discovers/determines that:

- (a) an Eligible Person who was selected by the ESOS Committee has not been given the opportunity to participate in the Scheme on any occasion; or
- (b) the number of Shares issued and/or transferred (via treasury shares, if any) to any Grantee pursuant to an exercise of Option(s) under the Scheme on any occasion is found to be incorrect,

and such error or omission cannot be corrected within the relevant period specified in the Scheme, the ESOS Committee may do all such acts and things to rectify such error or omission, but not limited to, all acts and things to ensure that the Eligible Person is given the opportunity to participate in the Scheme and/or the aggregate number of Shares to which the Grantee is correctly entitled to is credited into his CDS Account and/or to withdraw the Offer given to the employee or Director who was erroneously selected as an Eligible Person.

35. MULTIPLE SCHEMES

35.1 The Company may implement more than one (1) share issuance scheme, provided that the aggregate number of Shares available under all the share issuance schemes do not exceed the maximum number of Shares stipulated in the Listing Requirements or by any other relevant authorities.

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DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

Attachment 1

The Option Price and/or the number of Shares to be comprised in the ESOS Options in respect of the right to subscribe for new Shares so far as unexercised to which a Grantee may be entitled from time to time be adjusted, calculated or determined by the ESOS Committee and certified by the external auditors or a principal adviser (acting as experts and not as arbitrators) in accordance with the following relevant provisions:

(a) Consolidation or subdivision

If and whenever a consolidation or subdivision or conversion of the Shares occurs, the Option Price and the Shares comprised in the ESOS Options so far as unexercised ("**Revised Number of Shares Under ESOS Option**") shall be adjusted, calculated or determined in the following manner:

$$\text{New Subscription Price} = S \times \frac{U}{V}$$

$$\text{Revised Number of Shares Under ESOS Option} = T \times \frac{V}{U}$$

Where:

- S = Existing Option Price; and
- T = Existing number of Shares comprised in the ESOS Option in respect of the right to subscribe for new Shares so far as unexercised
- U = Aggregate number of Shares (excluding Shares held as treasury shares, if any) in the share capital of the Company immediately preceding such consolidation, subdivision or conversion; and
- V = Aggregate number of Shares in the share capital of the Company after such consolidation, subdivision or conversion.

Each such adjustment will be effective from the close of business of the Market Day next following the date on which the consolidation or subdivision or conversion becomes effective (being the date on which the Shares are traded on Bursa Securities after such consolidation or subdivision or conversion) or such other date as may be prescribed by Bursa Securities.

(b) Capitalisation or profits / reserves

If and whenever the Company shall make an issue of new Shares credited as fully paid, by way of by way of bonus issue or capitalisation of profits or reserves (whether of a capital or income nature), the Option Price shall be adjusted by multiplying it by the following fraction:

$$\text{New Option Price} = \frac{S \times A}{A + B}$$

Whilst the additional Shares comprised in the ESOS Options so far as unexercised ("**Additional Shares Under ESOS Option**") shall be calculated in the following manner:

$$\text{Additional Shares Under ESOS Option} = \frac{T \times (A + B)}{A} - T$$

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

Where:-

- A = The aggregate number of issued Shares immediately before such capitalisation issue;
- B = the aggregate number of new Shares to be issued pursuant to any allotment credited as fully-paid by way of bonus issue or capitalisation of profits or reserves of the Company (whether of a capital or income nature and including any capital redemption reserve fund);
- S = S as in paragraph (a) above; and
- T = T as in paragraph (a).

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the day next following the entitlement date for such issue.

(c) If and whenever the Company shall make:

(i) Capital Distribution

A Capital Distribution (as defined below) to ordinary shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or

(ii) Rights issue of Shares

Any offer or invitation to ordinary shareholders where under they may acquire or subscribe for new Shares by way of rights; or

(iii) Rights issue of convertible securities

Any offer or invitation to ordinary shareholders by way of rights where under they may acquire or subscribe for securities convertible into new Shares or securities with rights to acquire or subscribe for new Shares;

then and in any such case, the Option Price shall be adjusted in the following manner:-

$$\text{New Option Price} = \frac{S \times (C - D)}{C}$$

Where:

- C = The Current Market Price (as defined in paragraph (h) below) of one (1) 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 or (failing any such announcement), immediately preceding the date of the Capital Distribution or, as the case may be, of the offer or invitation; and
- D = (A) In the case of an offer or invitation to acquire or subscribe for new Shares under paragraph (c)(ii) above or for securities convertible into new Shares or securities with rights to acquire or subscribe for new Shares under paragraph (c)(iii) above, the value of rights attributable to one (1) Share (as defined below); or

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

- (B) In the case of any other transaction falling within this paragraph (c), the fair market value, as determined (with the concurrence of the external auditors of the Company) by a principal adviser, of that portion of the Capital Distribution attributable to one (1) Share.

For the purpose of definition (A) of "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 = C as in this paragraph (c);
- E = The option price of one (1) additional Share under the terms of such offer or invitation to acquire or one (1) additional security convertible into new Shares or one (1) additional security with rights to acquire or subscribe for new Shares;
- F = The number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one (1) new Share or security convertible into new Shares or right to acquire or subscribe for new Shares; and
- 1 = One (1)

In the case of paragraphs (c)(ii) and (c)(iii) above, the Additional Shares Under ESOS Option shall be calculated as follows:

$$\text{Additional Shares Under ESOS Option} = T \times \frac{(C)}{(C - D^*)} - T$$

Where:-

- T = T as in paragraph (a) above;
- C = C as in this paragraph (c); and
- D* = The "value of the rights attributable to one (1) Share" (as defined below)

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

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

Where:

- C = C as in this paragraph (c);
- E* = The option consideration of one (1) new Share under the terms of such offer or invitation to acquire or subscribe for one (1) new Share;
- F* = The number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one (1) new Share; and
- 1 = One (1).

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

For the purpose of this paragraph (c), “**Capital Distribution**” shall (without prejudice to the generality of that expression) include distributions in cash or specie or by way of issue of Shares (other than an issue falling within paragraph (b) above) credited as fully or partly paid up by way of capitalisation of profits or reserves (whether of a capital or income nature). Any dividend charged or provided for in the accounts of any period or made shall (whenever paid and howsoever described) 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 income statement of the Company.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the day next following the entitlement date for the above transaction.

(d) Capitalisation of profits / reserves and rights issue of Shares / convertible securities

If and whenever the Company makes any allotment to its ordinary shareholders as provided in paragraph (b) above and also makes any offer or invitation to its ordinary shareholders as provided in paragraph (c)(ii) or paragraph (c)(iii) above and the entitlement date for the purpose of the allotment is also the entitlement date for the purpose for the offer or invitation, the Option Price shall be adjusted in the following manner:

$$\text{New Option Price} = \frac{S \times [(G \times C) + (H \times I)]}{(G + H + B) \times C}$$

and in respect of each case referred to in paragraph (b) and paragraph (c)(ii) above, the Additional Shares Under ESOS Option shall be calculated in the following manner:

$$\text{Additional Shares Under ESOS Option} = \frac{T \times [(G + H^* + B) \times C]}{(G \times C) + (H^* \times I^*)} - T$$

Where:

- G = The aggregate number of issued Shares on the entitlement date;
- C = C in paragraph (c) above;
- H = The aggregate number of new Shares under an offer or invitation to acquire or subscribe for new Shares by way of rights or under an offer or invitation by way of rights to acquire or subscribe for securities convertible into new Shares or with rights to acquire or subscribe for new Shares as the case may be;
- H* = The aggregate number of Shares under an offer or invitation to acquire or subscribe for new Shares by way of rights;
- I = The option price of one (1) new Share under an offer or invitation to acquire or subscribe for new Shares or the exercise price on conversion of securities or exercise of such rights to acquire or subscribe for one (1) new Share as the case may be;
- I* = The option price of one (1) new Share under the offer or invitation to acquire or subscribe for new Shares;
- B = B as in paragraph (b) above;
- S = S as in paragraph (a); and

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

T = T as in paragraph (a) above.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the day next following the entitlement date for such issues.

(e) Rights issue of Shares and rights issue of convertible securities

If and whenever the Company makes any offer or invitation to its ordinary shareholders to acquire or subscribe for new Shares as provided in paragraph (c)(ii) above together with an offer or invitation to acquire or subscribe securities convertible into new Shares or securities with rights to acquire or subscribe for new Shares as provided in paragraph (c)(iii) above, the Option Price shall be adjusted in the following manner:-

$$\text{New Option Price} = \frac{S \times (G \times C) + (H \times I) + (J \times K)}{(G + H + J) \times C}$$

and the Additional Shares Under ESOS Option shall be calculated in the following manner:

$$\text{Additional Shares Under ESOS Option} = \frac{T \times (G + H^*) \times C}{(G \times C) + (H^* \times I^*)} - T$$

Where:

G = G as in paragraph (d) above;

C = C as in paragraph (c) above;

H = H as in paragraph (d) above;

H* = H* as in paragraph (d) above;

I = I as in paragraph (d) above;

I* = I* as in paragraph (d) above;

J = The aggregate number of new Shares to be issued to its ordinary shareholders upon conversion of such exercise of such rights to subscribe for new 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) new Share;

S = S as in paragraph (a); and

T = T as in paragraph (a) above.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the day next following the entitlement date for above transaction.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

(f) Capitalisation of profits / reserve, rights issue of Shares and rights issue of convertible securities

If and whenever the Company makes an allotment to its ordinary shareholders as provided in paragraph (b) above and also makes an offer or invitation to acquire or subscribe for new Shares to its ordinary shareholders as provided in paragraph (c)(ii) above together with rights to acquire or subscribe for securities convertible into or with rights to acquire or subscribe for new Shares as provided in paragraph (c)(iii) above and the entitlement date for the purpose of the allotment is also the entitlement date for the purpose of offer or invitation, the Option Price shall be adjusted in the following manner:

$$\text{New Option Price} = \frac{S \times [(G \times C) + (H \times I) + (J \times K)]}{(G + H + J + B) \times C}$$

and the Additional Shares Under ESOS Option shall be calculated in the following manner:

$$\text{Additional Shares Under ESOS Option} = \frac{T \times [(G + H^* + B) \times C]}{(G \times C) + (H^* \times I^*)} - T$$

Where:

G	=	G as in paragraph (d) above;
C	=	C as in paragraph (c) above;
H	=	H as in paragraph (d) above;
H*	=	H* as in paragraph (d) above;
I	=	I as in paragraph (d) above;
I*	=	I* as in paragraph (d) above;
J	=	J as in paragraph (e) above;
K	=	K as in paragraph (e) above;
B	=	B as in paragraph (b) above;
S	=	S as in paragraph (a) above; and
T	=	T as in paragraph (a) above.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the day next following the entitlement date for the above transaction.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

(g) Others

If and whenever (otherwise than pursuant to a rights issue available to all ordinary shareholders alike and requiring an adjustment under paragraphs (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 new Shares, and in any such case the Total Effective Consideration per Share (as defined below) is less than ninety percent (90%) of the Average Price for one (1) Share (as defined below) 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 Option Price shall be adjusted in the following manner:

$$\text{New Option Price} = \frac{S \times (L + M)}{L + N}$$

Where:

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

For the purposes of this paragraph (g) the "Total Effective Consideration" shall be determined by the Directors of the Company with the concurrence of the Company's external auditors or a principal adviser and shall be:

- (i) In the case of the issue of new Shares, the aggregate consideration receivable by the Company on payment in full for such new 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 opt for new 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;

in each case without any deduction of any commission, 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 by the maximum number of new Shares issuable on full conversion of such securities or on exercise in full of such rights.

DRAFT BY-LAWS IN RELATION TO THE PROPOSED ESOS (CONT'D)

For the purpose of this paragraph (g), the Average Price of a Share shall be the average price of one (1) Share as derived from the last dealt prices for one (1) or more board lots of the Shares as quoted on the Bursa Securities on the Market Days comprised in the period used as a basis upon which the issue price of such Shares is determined.

Each such adjustment will be calculated (if appropriate, retroactively) from the close of business on the Bursa Securities on the Market Day next following the date on which the issue is announced, or (failing any such announcement) on the Market Day next following the date on which the Company determined the offering/issue price of such Shares. Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the completion of the above transaction.

- (h) For the purpose of paragraphs (c), (d), (e) and (f), the “Current Market Price” in relation to one (1) Share for any relevant day shall be the average of the last dealt price for the five (5) consecutive Market Days before such date or other period as many be determined in accordance with any guidelines issued, from time to time, by Bursa Securities.

The foregoing provisions on adjustment of the Option Price shall be subject to the following:

- (a) On any such adjustment the resultant Option Price shall be rounded up to the nearest one (1) sen and in no event shall any adjustment (otherwise than upon the consolidation of Shares) involve an increase in the Option Price or reduce the number of Shares comprised in the ESOS Option so far as unexercised to which the Grantee is already entitled to;
- (b) No adjustment shall be made to the Option Price in any case in which the amount by which the same would be reduced in accordance with the foregoing provisions of “would be less than one (1) sen” or the number of Shares comprised in the ESOS Option so far as unexercised is less than one (1) Share and any adjustment that would otherwise be required then to be made will not be carried forward;
- (c) If an event giving rise to any such adjustment shall be capable of falling within any two (2) or more of paragraphs (a) to (g) of **By-Law 15.1** (both inclusive) or if such event is capable of giving rise to more than one adjustment, the adjustment shall be made in such manner as the Directors of the Company and the external auditors or a principal adviser may agree;
- (d) If for any reason an event giving rise to an adjustment to the Option Price and/or the number of Shares comprised in the ESOS Option so far as unexercised to which a Grantee may be entitled to is cancelled, revoked or not completed, the adjustment shall not be required to be made or shall be reversed with effect from such date and in such manner as the Directors of the Company and the external auditors or a principal adviser may agree; and
- (e) In determining a Grantee's entitlements to subscribe for Shares, any fractional entitlements shall be rounded down to the nearest whole number and/or will be disregarded.

FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

The Board has seen and approved the contents of this Circular, and they collectively and individually, accept full responsibility for the accuracy of the information given in this Circular. The Board confirms that after making all reasonable enquires and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular false or misleading.

2. CONSENTS AND DECLARATIONS OF CONFLICT OF INTEREST

Affin Hwang IB, being the Principal Adviser for the Proposed ESOS, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

Affin Hwang IB, hereby declares that there is no situation of conflict of interest that exists or likely to exist in relation to its role as the Principal Adviser to HPP for the Proposed ESOS.

3. MATERIAL LITIGATION

As at the LPD, the Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board is not aware of any proceedings pending or threatened against HPP Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the financial position or business of HPP Group.

4. MATERIAL COMMITMENTS

Save as disclosed below, as at the LPD, the Board is not aware of any other material commitments incurred or known to be incurred by HPP Group, which upon becoming enforceable may have a material effect on the financial position or business of HPP Group.

	RM'000
Approved but not contracted for:	
Purchase of property, plant and equipment	6,949
Approved and contracted for:	
Purchase of property, plant and equipment	686

5. CONTINGENT LIABILITIES

As at the LPD, the Board is not aware of any contingent liabilities incurred or known to be incurred by HPP Group, which upon becoming enforceable may have a material effect on the financial position or business of HPP Group.

FURTHER INFORMATION (CONT'D)

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, during normal business hours (except public holidays) from the date of this Circular up to and including the date of the EGM:

- (i) the Constitution of HPP;
- (ii) the Accountants' Report dated 1 December 2020 as contained in the prospectus dated 15 December 2020, which included the audited combined financial statements of HPP for the FYE 31 May 2019 and the FYE 31 May 2020 as well as the latest audited consolidated financial statements of HPP for the FYE 31 May 2021;
- (iii) the letter of consent referred to in Section 2 above; and
- (iv) the draft By-Laws as referred to in Appendix I of this Circular.



HPP HOLDINGS BERHAD

(Registration No. 201801043588 (1305620-D))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Extraordinary General Meeting (“**EGM**” or “**Meeting**”) of HPP Holdings Berhad (“**HPP**” or “**Company**”) will be conducted on fully virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting facilities via the online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC: D6A357657) on Friday, 29 October 2021 at 11.30 a.m. or immediately after the conclusion or adjournment (as the case may be) of the Company’s Third Annual General Meeting, to be conducted on fully virtual basis on the same day at 10.00 a.m., whichever is later, for the purpose of considering and, if thought fit, passing the following ordinary resolutions, with or without any modifications:-

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF AN EMPLOYEES’ SHARE OPTION SCHEME OF UP TO 15% OF THE TOTAL NUMBER OF ISSUED SHARES OF HPP (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT OF TIME DURING THE DURATION OF THE SCHEME FOR ELIGIBLE DIRECTORS AND EMPLOYEES OF HPP AND ITS SUBSIDIARY COMPANIES (EXCLUDING SUBSIDIARY COMPANIES WHICH ARE DORMANT, IF ANY) (“PROPOSED ESOS”)

“**THAT** subject to the approvals of all relevant authorities and/or parties (where applicable) being obtained for the Proposed ESOS, and to the extent permitted by law and the Constitution of the Company, approval be and is hereby given to the Board of Directors of HPP (“**Board**”) authorised and empowered to:-

- (i) establish, implement and administer the Proposed ESOS of up to 15% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the duration of the Proposed ESOS for the eligible directors and employees of HPP Group (excluding subsidiary companies which are dormant, if any) in accordance with the provisions of the by-laws governing the Proposed ESOS (“**By-Laws**”), a draft of which is set out in Appendix I of the circular to shareholders of the Company dated 29 September 2021 (“**Circular**”), and to give full effect to the Proposed ESOS with full power to assent to any conditions, variations, modifications and/or amendments as may be required by the relevant authorities;
- (ii) offer and grant option(s) to subscribe for ordinary shares in HPP (“**HPP Share(s)**” or “**Share(s)**”) under the Proposed ESOS (“**ESOS Option(s)**” or “**Option(s)**”) and issue and/or transfer such number of HPP Shares arising from the exercise of the ESOS Options that may be granted under the Proposed ESOS, provided that the maximum number of HPP Shares which may be made available under the Proposed ESOS shall not in aggregate exceed 15% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the duration of the Proposed ESOS;
- (iii) any Shares to be issued and/or the transferred via treasury shares (if any) to the Grantee arising from the exercise of the ESOS Options will rank *pari passu* in all respects with the then existing HPP Shares;

- (iv) 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 ESOS from time to time provided that such additions, amendments, modifications and/or deletions 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 ESOS;
- (v) extend the duration of the Proposed ESOS for another period of up to a maximum of 5 years in aggregate, commencing from the day after the date of expiration of the original 5 years period provided always that such extension of the Proposed ESOS made in accordance with the provisions of the By-Laws shall not in aggregate exceed a duration of 10 years from the date the Proposed ESOS takes effect; and
- (vi) do all things necessary and make the necessary applications to Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the listing of and quotation for the new Shares that may, hereafter from time to time, be issued arising from the exercise of the ESOS Options;

THAT the Board be and is hereby authorised to give effect to the Proposed ESOS with full power to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed ESOS.

AND THAT the draft By-Laws, as set out in Appendix I of the Circular which is in compliance with the ACE Market Listing Requirements of Bursa Securities ("**Listing Requirements**"), be and is hereby approved and adopted."

ORDINARY RESOLUTION 2

PROPOSED GRANTING OF ESOS OPTIONS TO LAU TEE TEE @ LAU KIM WAH

"THAT subject to the passing of Ordinary Resolution 1 and the approvals of the relevant authorities (where required) being obtained for the Proposed ESOS, the Board be and is hereby authorised at any time and from time to time during the duration of the Proposed ESOS, to offer and grant such number of ESOS Options to Lau Tee Tee @ Lau Kim Wah, the Non-Independent Non-Executive Chairman of HPP, subject to the provisions of the By-Laws of the Proposed ESOS, provided always that:-

- (i) he must not participate in the deliberation or discussion of his own allocation, as well as that of the persons connected with him, under the Proposed ESOS; and
- (ii) not more than 10% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) of the total number of Shares to be issued under the Proposed ESOS shall be allocated to him, if he either singly or collectively through persons connected (as defined in the Listing Requirements) with him, holds 20% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) or more of the total number of issued shares of the Company (excluding treasury shares, if any);

subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS and any prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities as amended from time to time.

AND THAT, the Board be further authorised to issue and/or transfer such number of Shares arising from the exercise of the ESOS Options, from time to time, to the abovementioned person."

ORDINARY RESOLUTION 3

PROPOSED GRANTING OF ESOS OPTIONS TO KOK HON SENG

“THAT subject to the passing of Ordinary Resolution 1 and the approvals of the relevant authorities (where required) being obtained for the Proposed ESOS, the Board be and is hereby authorised at any time and from time to time during the duration of the Proposed ESOS, to offer and grant such number of ESOS Options to Kok Hon Seng, the Executive Director / Group Managing Director of HPP, subject to the provisions of the By-Laws of the Proposed ESOS, provided always that:-

- (i) he must not participate in the deliberation or discussion of his own allocation, as well as that of the persons connected with him, under the Proposed ESOS; and
- (ii) not more than 10% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) of the total number of Shares to be issued under the Proposed ESOS shall be allocated to him, if he either singly or collectively through persons connected (as defined in the Listing Requirements) with him, holds 20% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) or more of the total number of issued shares of the Company (excluding treasury shares, if any);

subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS and any prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities as amended from time to time.

AND THAT, the Board be further authorised to issue and/or transfer such number of Shares arising from the exercise of the ESOS Options, from time to time, to the abovementioned person.”

ORDINARY RESOLUTION 4

PROPOSED GRANTING OF ESOS OPTIONS TO NG SOH HOON

“THAT subject to the passing of Ordinary Resolution 1 and the approvals of the relevant authorities (where required) being obtained for the Proposed ESOS, the Board be and is hereby authorised at any time and from time to time during the duration of the Proposed ESOS, to offer and grant such number of ESOS Options to Ng Soh Hoon, the Executive Director of HPP, subject to the provisions of the By-Laws of the Proposed ESOS, provided always that:-

- (i) she must not participate in the deliberation or discussion of her own allocation, as well as that of the persons connected with her, under the Proposed ESOS; and
- (ii) not more than 10% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) of the total number of Shares to be issued under the Proposed ESOS shall be allocated to her, if she either singly or collectively through persons connected (as defined in the Listing Requirements) with her, holds 20% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) or more of the total number of issued shares of the Company (excluding treasury shares, if any);

subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS and any prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities as amended from time to time.

AND THAT, the Board be further authorised to issue and/or transfer such number of Shares arising from the exercise of the ESOS Options, from time to time, to the abovementioned person.”

ORDINARY RESOLUTION 5

PROPOSED GRANTING OF ESOS OPTIONS TO PHILIP GOH TECK SIANG

“THAT subject to the passing of Ordinary Resolution 1 and the approvals of the relevant authorities (where required) being obtained for the Proposed ESOS, the Board be and is hereby authorised at any time and from time to time during the duration of the Proposed ESOS, to offer and grant such number of ESOS Options to Philip Goh Teck Siang, the Independent Non-Executive Director of HPP, subject to the provisions of the By-Laws of the Proposed ESOS, provided always that:-

- (i) he must not participate in the deliberation or discussion of his own allocation, as well as that of the persons connected with him, under the Proposed ESOS; and
- (ii) not more than 10% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) of the total number of Shares to be issued under the Proposed ESOS shall be allocated to him, if he either singly or collectively through persons connected (as defined in the Listing Requirements) with him, holds 20% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) or more of the total number of issued shares of the Company (excluding treasury shares, if any);

subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS and any prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities as amended from time to time.

AND THAT, the Board be further authorised to issue and/or transfer such number of Shares arising from the exercise of the ESOS Options, from time to time, to the abovementioned person.”

ORDINARY RESOLUTION 6

PROPOSED GRANTING OF ESOS OPTIONS TO CHOO CHEE BENG

“THAT subject to the passing of Ordinary Resolution 1 and the approvals of the relevant authorities (where required) being obtained for the Proposed ESOS, the Board be and is hereby authorised at any time and from time to time during the duration of the Proposed ESOS, to offer and grant such number of ESOS Options to Choo Chee Beng, the Independent Non-Executive Director of HPP, subject to the provisions of the By-Laws of the Proposed ESOS, provided always that:

- (i) he must not participate in the deliberation or discussion of his own allocation, as well as that of the persons connected with him, under the Proposed ESOS; and
- (ii) not more than 10% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) of the total number of Shares to be issued under the Proposed ESOS shall be allocated to him, if he either singly or collectively through persons connected (as defined in the Listing Requirements) with him, holds 20% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) or more of the total number of issued shares of the Company (excluding treasury shares, if any);

subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS and any prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities as amended from time to time.

AND THAT, the Board be further authorised to issue and/or transfer such number of Shares arising from the exercise of the ESOS Options, from time to time, to the abovementioned person.”

ORDINARY RESOLUTION 7

PROPOSED GRANTING OF ESOS OPTIONS TO LEE CHONG LENG

“THAT subject to the passing of Ordinary Resolution 1 and the approvals of the relevant authorities (where required) being obtained for the Proposed ESOS, the Board be and is hereby authorised at any time and from time to time during the duration of the Proposed ESOS, to offer and grant such number of ESOS Options to Lee Chong Leng, the Independent Non-Executive Director of HPP, subject to the provisions of the By-Laws of the Proposed ESOS, provided always that:-

- (i) he must not participate in the deliberation or discussion of his own allocation, as well as that of the persons connected with him, under the Proposed ESOS; and
- (ii) not more than 10% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) of the total number of Shares to be issued under the Proposed ESOS shall be allocated to him, if he either singly or collectively through persons connected (as defined in the Listing Requirements) with him, holds 20% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) or more of the total number of issued shares of the Company (excluding treasury shares, if any);

subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS and any prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities as amended from time to time.

AND THAT, the Board be further authorised to issue and/or transfer such number of Shares arising from the exercise of the ESOS Options, from time to time, to the abovementioned person.”

ORDINARY RESOLUTION 8

PROPOSED GRANTING OF ESOS OPTIONS TO NG SOH MOY

“THAT subject to the passing of Ordinary Resolution 1 and the approvals of the relevant authorities (where required) being obtained for the Proposed ESOS, the Board be and is hereby authorised at any time and from time to time during the duration of the Proposed ESOS, to offer and grant such number of ESOS Options to Ng Soh Moy, the sibling of Ng Soh Hoon and sister-in-law of Kok Hon Seng, who is an employee of HPP, subject to the provisions of the By-Laws of the Proposed ESOS, provided always that:-

- (i) she must not participate in the deliberation or discussion of her own allocation, as well as that of the persons connected with her, under the Proposed ESOS; and
- (ii) not more than 10% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) of the total number of Shares to be issued under the Proposed ESOS shall be allocated to her, if she either singly or collectively through persons connected (as defined in the Listing Requirements) with her, holds 20% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) or more of the total number of issued shares of the Company (excluding treasury shares, if any);

subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS and any prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities as amended from time to time.

AND THAT, the Board be further authorised to issue and/or transfer such number of Shares arising from the exercise of the ESOS Options, from time to time, to the abovementioned person.”

By order of the Board

TAI YIT CHAN (MAICSA 7009143) (SSM PC No. 202008001023)
TAN AI NING (MAICSA 7015852) (SSM PC No. 202008000067)

Secretaries

Selangor Darul Ehsan
Date: 29 September 2021

Notes:

1. As part of the initiatives to curb the spread of Coronavirus Disease 2019 ("**COVID-19**"), the EGM will be conducted on a fully virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting ("**RPEV**") facilities which are available on the online meeting platform of LUMI AGM provided by Boardroom Share Registrars Sdn. Bhd. at <https://meeting.boardroomlimited.my>. Please refer to the Administrative Guide for Shareholders for the EGM on the procedures to register, participate and vote remotely via the RPEV facilities.
2. According to the Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers revised on 16 July 2021, an online meeting platform can be recognised as the meeting venue or place under Section 327 (2) of the Companies Act 2016 provided that the online platform is located in Malaysia and all meeting participants including the Chairman of the meeting, Board members, senior management and shareholders shall participate the meeting online.
3. Members may submit questions relating to resolutions to be tabled at the EGM to the Board via Boardroom Smart Investor Online Portal at <https://investor.boardroomlimited.com> no later than 10.00 a.m. on Wednesday, 27 October 2021. Alternatively, members may transmit questions to the Board via RPEV facilities during the live streaming of the EGM.
4. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
5. A member of the Company may appoint up to two (2) proxies to attend and vote at the same meeting. Where a member of the Company appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholdings to be represented by each proxy.
6. 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 Securities Industry (Central Depositories) Act 1991 ("**SICDA**") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
7. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
8. The instrument appointing a proxy, with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. Alternatively, the instrument appointing proxy may be electronically submitted to Boardroom Share Registrars Sdn. Bhd. via Boardroom Smart Investor Online Portal (applicable to individual shareholder only) at <https://investor.boardroomlimited.com>. Please refer to the Administrative Guide for further information on electronic submission of Proxy Forms.
9. Pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Securities, all the resolutions set out in the notice of the general meeting will be put to vote by way of poll. Poll administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.
10. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company a Record of Depositors as at 21 October 2021 and only a Depositor whose name appears in such Record of Depositors shall be entitled to attend and vote at this meeting and entitled to appoint proxy or proxies.
11. The Board wishes to highlight that the EGM may be re-scheduled and/or postponed in view of the current COVID-19 outbreak and the Malaysian Government's announcements or guidelines made from time to time. Rest assured, all members/proxies including attendees shall be kept informed of any unexpected changes.

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PROXY FORM

CDS Account No.



HPP HOLDINGS BERHAD

(Registration No. 201801043588 (1305620-D))
(Incorporated in Malaysia)

I/We*, _____ (full name of shareholder, in capital letters) NRIC No./Passport No./Company No.* _____ of

_____ (full address) telephone no. _____ and email address _____ being a member/ members* of HPP HOLDINGS BERHAD, hereby appoint(s):-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Telephone No.			

and/ or*

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Telephone No.			

or failing him/her*, the Chairman of the meeting as my/our* proxy to vote for me/us* on my/our* behalf at the Extraordinary General Meeting ("EGM") of the Company to be conducted on fully virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting facilities via the online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC: D6A357657) on Friday, 29 October 2021 at 11.30 a.m. or immediately after the conclusion or adjournment (as the case may be) of the Company's Third Annual General Meeting, to be conducted on fully virtual basis on the same day at 10.00 a.m., whichever is later, in respect of my/our shareholding in the manner indicated below:

RESOLUTIONS:	FOR	AGAINST
ORDINARY RESOLUTION 1 - PROPOSED ESOS		
ORDINARY RESOLUTION 2 - PROPOSED GRANTING OF ESOS OPTIONS TO LAU TEE TEE @ LAU KIM WAH		
ORDINARY RESOLUTION 3 - PROPOSED GRANTING OF ESOS OPTIONS TO KOK HON SENG		
ORDINARY RESOLUTION 4 - PROPOSED GRANTING OF ESOS OPTIONS TO NG SOH HOON		
ORDINARY RESOLUTION 5 - PROPOSED GRANTING OF ESOS OPTIONS TO PHILIP GOH TECK SIANG		
ORDINARY RESOLUTION 6 - PROPOSED GRANTING OF ESOS OPTIONS TO CHOO CHEE BENG		
ORDINARY RESOLUTION 7 - PROPOSED GRANTING OF ESOS OPTIONS TO LEE CHONG LENG		
ORDINARY RESOLUTION 8 - PROPOSED GRANTING OF ESOS OPTIONS TO NG SOH MOY		

Please indicate with an "x" in the appropriate spaces provided above on how you wish your vote to be cast. If no specific direction as to voting is given, the proxy may vote as he/she thinks fit.

Signed this _____ day of _____ 2021.

No. of shares held

Signature(s)/Common Seal of member(s)

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AFFIX
STAMP

The Share Registrar
HPP HOLDINGS BERHAD
(Registration No. 201801043588 (1305620-D))
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

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