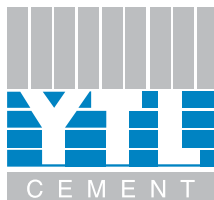


THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

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.



MALAYAN CEMENT BERHAD

[Company No. 195001000048 (1877-T)]
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED ESTABLISHMENT OF AN EMPLOYEES SHARE OPTION SCHEME FOR THE ELIGIBLE EMPLOYEES AND DIRECTORS OF MALAYAN CEMENT BERHAD AND/OR ITS ELIGIBLE SUBSIDIARIES

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



CIMB Investment Bank Berhad

Registration No. 197401001266 (18417-M)

The resolutions in respect of the above proposal will be tabled at the Extraordinary General Meeting (“EGM”) of our Company which will be conducted on a **fully virtual** basis through live streaming, online remote participation and voting via the online meeting platform hosted on the TIIH Online System (“**TIIH Online**”) at <https://tiih.com.my> (“**Meeting Platform**”) on **Friday, 18 March 2022 at 3.00 p.m.** or at any adjournment thereof.

The Notice of EGM together with the Form of Proxy, and Administrative Guide are available at our Company’s website at <https://ytlcement.my/meetings/>.

You are advised to follow the procedures set out in the Administrative Guide for the EGM to register, participate and vote remotely via the Remote Participation and Voting facilities provided by Tricor Investor & Issuing House Services Sdn Bhd (“**Tricor**”) on its TIIH Online at the Meeting Platform.

The completed Form of Proxy must be deposited at either of the following offices of Tricor:

Tricor’s office Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia	or	Tricor’s Customer Service Centre Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia
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or lodged electronically via TIIH Online at <https://tiih.com.my> not less than forty-eight (48) hours before the time appointed for holding the EGM or at any adjournment thereof as indicated below:

Last date and time for lodging the Form of Proxy : Wednesday, 16 March 2022 at 3.00 p.m.

Date and time of virtual EGM : Friday, 18 March 2022 at 3.00 p.m.

This Circular is dated 2 March 2022

DEFINITIONS

Except where the context otherwise requires, the following definitions will apply throughout this Circular:

2022 Scheme	:	The ESOS to be known as the “Malayan Cement Berhad Employees Share Option Scheme 2022” for the grant of Options to Eligible Persons to subscribe for new Shares upon the terms as set out in the By-laws
Act	:	Companies Act, 2016 and any amendments made thereto from time to time and includes any re-enactment thereof
Board	:	Board of Directors of our Company
Bursa Securities	:	Bursa Malaysia Securities Berhad
Bursa Securities LR	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time
By-laws	:	By-laws governing the 2022 Scheme, as amended, modified and/or supplemented from time to time in accordance with By-Law 16
CIMB	:	CIMB Investment Bank Berhad
Company	:	Malayan Cement Berhad
Date of Offer	:	The date on which an Offer is made to an Eligible Person to participate in the 2022 Scheme by the Options Committee
Director	:	A director of our Company
Effective Date	:	The date on which the 2022 Scheme takes effect as provided in By-law 17.1
EGM	:	Extraordinary General Meeting
Eligible Person(s)	:	Any eligible employee(s) or director(s) (including non-executive directors) of MCB and/or our Eligible Subsidiaries who meets the criteria of eligibility for participation in the 2022 Scheme as stipulated under By-law 3.1
Eligible Subsidiary	:	A Subsidiary of MCB as determined from time to time by the Options Committee to be a corporation participating under the 2022 Scheme in accordance with By-law 3.3
EPS	:	Earnings per share
ESOS	:	Employees share option scheme
Grantee(s)	:	Eligible Person(s) who has accepted the Offer in accordance with the provisions of By-law 7
Group	:	MCB and its Subsidiaries, collectively
ICPS	:	Irredeemable convertible preference shares

DEFINITIONS *(cont'd)*

LPD	:	31 January 2022, being the latest practicable date prior to the printing of this Circular
Market Day	:	A day on which Bursa Securities is open for official trading
MCB	:	Malayan Cement Berhad
MFRS 2	:	Malaysian Financial Reporting Standard 2 on Share Based Payment as issued by the Malaysian Accounting Standards Board
NA	:	Net assets
Offer(s)	:	Written offer(s) by the Options Committee to an Eligible Person to participate in the 2022 Scheme in the manner indicated under By-law 4
Option(s)	:	The right of a Grantee to subscribe for new Shares pursuant to the contract constituted by the Offer and the acceptance of such Offer by an Eligible Person in the manner indicated in By-law 7.1
Option Period	:	The period commencing from the Offer Date to a date not exceeding 10 years subject to provisions of By-law 17
Option Price	:	The price at which the Grantee shall be entitled to subscribe for new Shares in the manner indicated under By-law 6
Options Committee	:	The committee duly authorised and appointed by our Board to implement and administer the 2022 Scheme in accordance with the By-laws
Proposed ESOS	:	Proposed establishment of the 2022 Scheme
Puan Sri Tan Kai Yong	:	Puan Sri Datin Seri Tan Kai Yong @ Tan Kay Neong
RM and sen	:	Ringgit Malaysia and sen, respectively
Scheme Period	:	The period of 10 years commencing from the Effective Date
Shares	:	Ordinary share(s) in MCB
Subsidiary	:	A company which is for the time being a subsidiary of MCB as defined in Section 4 of the Act. It includes any subsidiary existing as at the Effective Date and any subsidiary incorporated or acquired at any time during the tenure of the 2022 Scheme but excludes subsidiaries which are dormant or have been divested, and "Subsidiaries" shall be construed accordingly
Tricor	:	Tricor Investor & Issuing House Services Sdn Bhd
Vesting Date	:	3 years after the Date of Offer or such other date or dates on which the Options or any part or proportion thereof granted shall vest in the Grantee, as stipulated by the Options Committee in the Offer
VWAMP	:	Volume weighted average market price
YTL Cement	:	YTL Cement Berhad

DEFINITIONS *(cont'd)*

YTL Corp	:	YTL Corporation Berhad
YTLSF	:	Yeoh Tiong Lay & Sons Family Holdings Limited
YTLSH	:	Yeoh Tiong Lay & Sons Holdings Sdn Bhd
YTLST	:	Yeoh Tiong Lay & Sons Trust Company Limited

All references to “**our Company**” in this Circular are to MCB and references to “**our Group**” mean our Company and our subsidiaries. References to “**we**”, “**us**” and “**our**” are to our Company and where the context requires, our Company and our subsidiaries.

All references to “**you**” and “**your**” in this Circular are to our shareholders, unless the context otherwise requires.

Words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. Reference to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted.

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

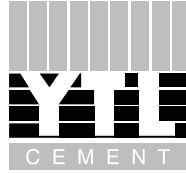
Any discrepancy in the figures included in this Circular between the amounts stated and the totals are due to rounding.

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

CONTENT

LETTER TO OUR SHAREHOLDERS CONTAINING:

	PAGE
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED ESOS	2
3. RATIONALE AND JUSTIFICATION FOR THE PROPOSED ESOS	6
4. EFFECTS OF THE PROPOSED ESOS	7
5. HISTORICAL SHARE PRICES	12
6. APPROVALS REQUIRED	12
7. INTEREST OF OUR DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM	13
8. DIRECTORS' RECOMMENDATION	15
9. ESTIMATED TIMEFRAME TO COMPLETION	15
10. OUTSTANDING CORPORATE EXERCISE/SCHEME ANNOUNCED BUT PENDING COMPLETION	15
11. EGM	15
12. FURTHER INFORMATION	16
 APPENDICES	
APPENDIX I DRAFT BY-LAWS OF THE 2022 SCHEME	17
APPENDIX II ADDITIONAL INFORMATION	44
 NOTICE OF EXTRAORDINARY GENERAL MEETING	 ENCLOSED
FORM OF PROXY	ENCLOSED



MALAYAN CEMENT BERHAD

[Company No. 195001000048 (1877-T)]
(Incorporated in Malaysia)

Registered Office:

33rd Floor
Menara YTL
205, Jalan Bukit Bintang
55100 Kuala Lumpur

2 March 2022

Our Board of Directors:

Y. Bhg. Tan Sri (Sir) Francis Yeoh Sock Ping, PSM, KBE (*Executive Chairman*)
Y. Bhg. Dato' Sri Michael Yeoh Sock Siong (*Managing Director*)
Y. Bhg. Tan Sri Datuk Asmat Bin Kamaludin (*Independent Non-Executive Director*)
Y. Bhg. Dato' Tan Guan Cheong (*Independent Non-Executive Director*)
Y. Bhg. Dato' Yoogalingam A/L Vynamuttu (*Independent Non-Executive Director*)
Y. Bhg. Dato' Yeoh Seok Kian (*Executive Director*)
Y. Bhg. Dato' Yeoh Seok Hong (*Executive Director*)
Y. Bhg. Dato' Yeoh Soo Keng (*Executive Director*)
Yeoh Khoon Cheng (*Non-Independent Non-Executive Director*)

To: Our Shareholders

Dear Sir/Madam

PROPOSED ESTABLISHMENT OF AN EMPLOYEES SHARE OPTION SCHEME FOR THE ELIGIBLE EMPLOYEES AND DIRECTORS OF MALAYAN CEMENT BERHAD AND/OR ITS ELIGIBLE SUBSIDIARIES

1. INTRODUCTION

- 1.1 On 8 February 2022, CIMB announced, on behalf of our Company, that we propose to establish and implement an employees share option scheme of up to 15% of the total number of issued shares (excluding treasury shares, if any) of our Company at any one time over the duration of the 2022 Scheme for the eligible employees and directors of MCB and/or its eligible subsidiaries.
- 1.2 Bursa Securities has in its letter dated 14 February 2022 approved the listing and quotation of such number of additional new Shares, representing up to 15% of the total number of issued shares (excluding treasury shares, if any) of MCB, to be issued upon the exercise of Options under the Proposed ESOS, subject to the following conditions:
- (i) MCB's non-compliance of the public security holding spread pursuant to Paragraph 8.02(1) of the Bursa Securities LR is not aggravated further by the exercise of options pursuant to the Proposed ESOS;

- (ii) CIMB is required to submit a confirmation to Bursa Securities of full compliance of the Proposed ESOS pursuant to Paragraph 6.43(1) of the Bursa Securities LR and stating the effective date of implementation together with a certified true copy of the resolution passed by the shareholders in general meeting approving the Proposed ESOS; and
- (iii) MCB is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the issuance of new shares under the Proposed ESOS as at the end of each quarter together with a detailed computation of listing fees payable.

The aforesaid conditions will be complied with by our Company.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSED ESOS AND TO SEEK YOUR APPROVAL FOR THE ORDINARY RESOLUTIONS FOR THE PROPOSED ESOS TO BE TABLED AT OUR FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE PROXY FORM ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ THE CONTENTS OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED ESOS AT OUR FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED ESOS

We propose to establish and implement the Proposed ESOS which will involve the granting of Options to Eligible Persons to subscribe for new Shares in accordance with the By-laws.

The 2022 Scheme will be administered by an Options Committee to be duly appointed and authorised by our Board.

The gross proceeds to be received by our Company upon the exercise of Options under the Proposed ESOS will depend on, amongst others, the number of Options granted and exercised at the relevant point in time and the Option Price. As such, the amount of proceeds (net of estimated expenses in relation to the Proposed ESOS of approximately RM300,000) to be received from the exercise of Options is not determinable at this juncture.

However, we intend to use the proceeds from the exercise of Options for the working capital requirements of our Group as well as possible funding for our capital expenditure requirements, future investments and/or repayment of debts in the future, should the need arise, as and when received. The actual funding breakdown also cannot be determined at this juncture as it will depend on, amongst others, the actual proceeds to be raised from the exercise of the Options. As and when the proceeds are received throughout the Scheme Period, our Company expects to use them within a period of 24 months. Pending the use of proceeds raised as and when the Options are exercised, such proceeds will be placed in deposits with financial institutions or short-term money market instruments as our Board deems fit.

The salient terms and conditions of the 2022 Scheme, which is governed by the By-laws, are set out below. A copy of the draft By-laws is set out in **Appendix I** of this Circular.

2.1 Maximum number of new Shares available under the 2022 Scheme

The maximum number of new Shares which may be allotted and issued under the 2022 Scheme shall not exceed 15% of the total number of issued shares (excluding treasury shares, if any) of our Company or such other percentage of the total number of issued shares (excluding treasury shares, if any) of our Company that may be permitted by Bursa Securities or other relevant authorities, from time to time during the Scheme Period.

Notwithstanding the above or any other provision contained in the By-laws, in the event that the number of new Shares to be issued pursuant to the exercise of the Options granted under the 2022 Scheme exceeds the aggregate of 15% of the total number of issued shares (excluding treasury shares, if any) of our Company as a result of our Company purchasing its own Shares in accordance with the Act, or our Company undertaking any other corporate proposal and thereby diminishing its total number of issued shares, then such Options granted prior to the adjustment of the total number of issued shares (excluding treasury shares, if any) of our Company shall remain valid and exercisable in accordance with the provisions of the By-laws.

However, in such a situation, the Options Committee shall not make any further Offer until the total number of new Shares to be issued pursuant to the exercise of the Options granted (including those Shares which have been issued pursuant to the exercise of options under the 2022 Scheme) under the 2022 Scheme falls below 15% of the total number of issued shares (excluding treasury shares, if any) of our Company at any point of time during the Scheme Period.

2.2 Basis of allocation and maximum allowable allotment

Subject to any adjustment which may be made under the By-laws, the aggregate number of new Shares that may be offered under the Options and allotted and issued to any one of the Eligible Person shall be at the sole and absolute discretion of the Options Committee after taking into consideration, amongst other factors, the performance, seniority and number of years in service of the Eligible Persons, subject always to the By-laws and the following:

- (i) the directors and senior management of our Group do not participate in the deliberation or discussion of their own respective allocation and the allocation to any persons connected to them;
- (ii) not more than 70% of the new Shares available under the 2022 Scheme shall be allocated, in aggregate, to directors and senior management of our Group.

The maximum allocation of Options made available in aggregate to the directors and senior management was determined after taking into consideration, amongst others, the number of directors and senior management who are eligible to participate in the Proposed ESOS as well as their position, ranking, seniority, length of service and contribution to our Group. Such amount allocated also aims to reward and retain the senior management of our Group for their commitment, dedication, loyalty and to drive enhanced productivity; and

- (iii) not more than 10% of the new Shares available under the 2022 Scheme shall be allocated to any individual Eligible Person who, either singly or collectively through persons connected with the Eligible Person, holds 20% or more in the issued share capital (excluding treasury shares, if any) of our Company.

Subject to the By-laws and any adjustments which may be made under the By-laws, the Options Committee shall have the sole and absolute discretion to determine the actual number of Options that may be allocated to the Eligible Person and the vesting period (if any) after taking into consideration, among others, the provisions of the Bursa Securities LR or other applicable requirements by other relevant authorities prevailing during the Scheme Period.

Further, the Options Committee shall have the sole and absolute discretion in determining whether the granting of the Options under the 2022 Scheme are to be offered to the Eligible Persons by way of:

- (i) one single Offer at a time determined by the Options Committee; or
- (ii) several Offers which are staggered or made in several tranches at such times and on such terms and conditions as may be determined by the Options Committee,

provided always that the aggregate number of Shares in respect of the Options granted shall not exceed the maximum number of new Shares available under the 2022 Scheme as stated in Section 2.1 of this Circular.

2.3 Determination of eligibility

Any person who is:

- (i) a director (including a non-executive director); and/or
- (ii) an employee of a corporation in our Group,

who meets the following criteria as at the Date of Offer shall be eligible for consideration and selection by the Options Committee to participate in the 2022 Scheme:

- (a) the person has attained the age of 18 years, is not an undischarged bankrupt and is not subject to any bankruptcy proceedings;
- (b) the person, save for a non-executive director, must be on the payroll of a company within our Group; and
 - (aa) he is employed on a full time basis, has not served a notice to resign or received a notice of termination; or
 - (bb) he is serving in a specific designation under an employment contract for a fixed duration, excluding those who are employed on a short-term contract or any other employees under contract as may be determined by the Options Committee;
- (c) the person's employment, save for a non-executive director, is for a period of at least 1 year of continuous service prior to and up to the Date of Offer, including service during the probation period, and is confirmed in service; and
- (d) the person fulfils any other criteria and/or falls within such category as may be set by the Options Committee from time to time.

Notwithstanding the above, the Options Committee may, at its sole and absolute discretion, consider and select any employee (including directors) of our Group to be an Eligible Person despite the eligibility criteria set out above not being met, at any time and from time to time.

The determination of eligibility and allocation will be made by the Options Committee at the point of granting of the Options, after taking into consideration the above factors and, amongst others, the performance, seniority and number of years in service. Thereafter, the Grantees are free to exercise their Options without further performance targets being achieved, unless such performance targets are specified in the Offer.

2.4 Duration of the 2022 Scheme

Subject to By-law 17, the 2022 Scheme shall be in force for a period of 10 years commencing from the Effective Date.

Subject to the By-laws, the Options can only be exercised by the Grantee no earlier than the Vesting Date.

2.5 Option Price

Subject to any adjustments in accordance with By-law 13, the Option Price shall be based on the 5-day VWAMP of the Shares as quoted on Bursa Securities immediately preceding the Date of Offer of the Option, with a discount of not more than 10%, if deemed appropriate, or such lower or higher limit in accordance with any prevailing guidelines issued by Bursa Securities or any other relevant authorities from time to time during the Scheme Period.

The Option Price as determined by our Board shall be conclusive and binding on the Grantee.

2.6 Ranking of new Shares

The new Shares to be allotted and issued upon the exercise of the Options granted under the 2022 Scheme will, upon allotment and issue, rank pari passu in all respects with the then existing issued share capital of our Company and will be subject to all the provisions of the Constitution of our Company (including rights relating to voting, transfer and otherwise), provided that in the event there is any right to participate in any rights, allotments or other distributions, the new Shares shall rank pari passu with the then existing Shares in respect of their right to participate in such rights, allotments or other distributions if the relevant exercise date occurs not less than 7 Market Days before the date as at the close of business on which shareholders of our Company must be entered in the Record of Depositors maintained with Bursa Malaysia Depository Sdn Bhd in order to be entitled to any dividends, rights, allotments or other distributions.

2.7 Listing of the new Shares

Bursa Securities has on 14 February 2022 approved the listing and quotation of the new Shares to be issued arising from the exercise of the Options on the Main Market of Bursa Securities.

2.8 Retention/Restriction period of Shares

A Grantee shall be prohibited from disposing of the new Shares so allotted and issued to him for a period of 1 year from the date on which the Option is exercised or such other period as may be determined by the Options Committee at its sole and absolute discretion.

Notwithstanding any consent which may be given by the Options Committee for the disposal of the new Shares earlier than the expiry of the 1 year period described above, a Grantee who is a non-executive director in our Company shall not sell, transfer or assign the new Shares so allotted to him for a period of 1 year or such period as may be prescribed by Bursa Securities from the Date of Offer of the Option pursuant to the Bursa Securities LR.

Grantees are however encouraged to hold the new Shares as investments rather than for immediate realisation to yield profit.

2.9 Termination of the 2022 Scheme

Subject always to compliance with the Bursa Securities LR and any other applicable law, the 2022 Scheme may be terminated by our Board at its sole and absolute discretion upon recommendation by the Options Committee at any time during the Scheme Period by written notice to the affected Grantees, without obtaining the approvals from the Grantees. In such an event, no further Options shall be vested, no further Offers shall be made by the Options Committee and any unaccepted Offers and unexercised Options shall be deemed to have been terminated and cancelled and be null and void on the date of termination. However, the Options Committee may in its discretion, permit the vesting of any Options to the Grantees, the acceptance of any outstanding Offer by the Eligible Person, and/or the exercise of any unexercised Options by the Grantee at any time prior to the date of termination subject to such terms and conditions as may be prescribed notwithstanding that:

- (i) the Vesting Date is not due or has not occurred;
- (ii) the Option Period has not commenced; and/or
- (iii) other terms and conditions set out in the Offer has not been fulfilled/satisfied.

In the event that the 2022 Scheme is terminated pursuant to the By-laws, our Company shall make an announcement immediately to Bursa Securities and comply with the requirements of Bursa Securities LR or any other relevant authorities. The announcement shall include:

- (i) the effective date of termination;
- (ii) the number of Options exercised; and
- (iii) the reasons for termination.

3. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSED ESOS

The Proposed ESOS is intended to:

- (i) motivate, retain and reward Eligible Persons who, upon exercising their Options, would be given the opportunity to participate in the equity of our Company and thereby relate their contribution directly to the performance of our Group;
- (ii) provide a continuing incentive to Eligible Persons without adversely affecting the cashflow of our Group whilst at the same time, contributing positively to its continuing growth through the intended stimulation of greater commitment, productivity and efforts on the part of the Eligible Persons towards our Group; and
- (iii) continue to attract prospective skilled and experienced individuals to our Company and/or Eligible Subsidiaries.

The Proposed ESOS is also extended to non-executive directors of our Company in recognition of their contribution to our Company and to enable them to participate in our future growth.

It is in our interest to ensure that directors and employees who are contributing positively to the progress of our Group are given the incentive to continue to remain with our Group and contribute towards our future growth and development. Further, the Proposed ESOS will also make employee and directors' remuneration sufficiently competitive to recruit new, suitably qualified individuals and/or to retain existing Eligible Persons whose contributions are important to the long term growth and success of our Group.

Save as set out below, our Company has not undertaken any equity fund raising exercise in the past 12 months before the announcement of the Proposed ESOS:

- On 15 April 2021, MCB announced the issuance of up to 85 million new ordinary shares in the Company (“**Placement Shares**”), representing approximately 10% of the total number of issued shares of MCB as at 14 April 2021 (“**Placement**”). The application for the listing and quotation of the Placement Shares was approved by Bursa Securities via its letter dated 23 April 2021. The Placement was completed on 14 June 2021 following the listing and quotation of 85 million Placement Shares on the Main Market of Bursa Securities at an issue price of RM2.79 per share. The Placement raised gross proceeds of RM237.15 million, of which RM64.53 million was utilised for working capital purposes, RM170.00 million was utilised for repayment of bank borrowings and RM2.62 million was utilised to defray expenses relating to the Placement.

4. EFFECTS OF THE PROPOSED ESOS

For purposes of illustration, we set out below the effects of the Proposed ESOS based on the following assumptions, and include the assumption that all the Options are granted at once and exercised in full:

- Minimum Scenario** - Scenario based on the total issued shares of MCB of 1,310,201,650 Shares as at the LPD and assuming none of the existing ICPS of MCB are converted during the Scheme Period.
- Maximum Scenario** - Scenario based on the total issued shares of MCB of 1,310,201,650 Shares as at the LPD and assuming all the existing ICPS of MCB are converted during the Scheme Period.

4.1 Share capital

Until such time the Options to be granted under the 2022 Scheme are exercised, the Proposed ESOS will not have an effect on the issued share capital of our Company. However, our issued share capital will increase progressively depending on the number of new Shares to be issued upon the exercise of Options that may be granted under the 2022 Scheme.

For illustration purposes, the pro forma effects of the Proposed ESOS on the issued share capital of our Company as at the LPD under the Minimum Scenario and Maximum Scenario are as follows:

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM 000	No. of Shares	RM 000
Issued share capital as at the LPD	1,310,201,650	3,595,817	1,310,201,650	3,595,817
To be issued upon the full conversion of the existing ICPS of MCB ⁽¹⁾	-	-	466,666,667	1,750,000
	1,310,201,650	3,595,817	1,776,868,317	5,345,817
To be issued assuming full exercise of the Options under the Proposed ESOS ⁽²⁾	196,530,200	369,477	266,530,200	501,077
Enlarged issued share capital	1,506,731,850	3,965,294	2,043,398,517	5,846,894

Notes:

- (1) *Assuming the issue of 466,666,667 new Shares upon the full conversion of 466,666,667 existing ICPS of MCB at a conversion price of RM3.75 per ICPS.*
- (2) *Computed based on the maximum number of Options that may be granted under the Proposed ESOS, representing 15% of the total number of issued shares of our Company. The Option Price for each Option is assumed at RM1.88, representing about 9.84% discount to the 5-day VWAMP of the Shares up to and including the LPD of RM2.0852 per Share. The actual number of new Shares which may be offered to an Eligible Persons shall be in multiples of and not be less than one board lot or 100 Shares.*

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4.2 Substantial shareholders' shareholdings

The Proposed ESOS is not expected to have an immediate effect on the shareholdings of the substantial shareholders of our Company until such time that the Options to be granted under the 2022 Scheme are exercised. However, if and when the Options are exercised in the future, the percentage shareholdings of our substantial shareholders will be diluted accordingly. For illustration purposes, the pro forma effects of the Proposed ESOS on the shareholdings of our substantial shareholders based on the Register of Substantial Shareholders as at the LPD under the Minimum Scenario and Maximum Scenario are as follows:

Minimum Scenario

Name	As at the LPD				Assuming full exercise of the Options to be issued under the Proposed ESOS			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
YTL Cement	1,029,615,502	78.58	-	-	1,029,615,502	68.33	-	-
YTL Corp	-	-	(3)1,029,615,502	78.58	-	-	(3)1,029,615,502	68.33
YTLSH	-	-	(3)1,029,615,502	78.58	-	-	(3)1,029,615,502	68.33
YTLSF	-	-	(4)1,029,615,502	78.58	-	-	(4)1,029,615,502	68.33
YTLST	-	-	(5)1,029,615,502	78.58	-	-	(5)1,029,615,502	68.33
Puan Sri Tan Kai Yong	-	-	(6)1,029,615,502	78.58	-	-	(6)1,029,615,502	68.33
Amanahraya Trustees Berhad Amanah Saham Bumiputera ("ASB")	-	5.34	-	-	70,000,000	4.65	-	-

Notes:

- (1) Based on the issued share capital of our Company of 1,310,201,650 Shares as at the LPD.
- (2) Based on the issued share capital of our Company of 1,506,731,850 Shares.
- (3) Deemed interest by virtue of interest held through YTL Cement pursuant to Section 8 of the Act.
- (4) Deemed interest by virtue of interest held through YTL Cement pursuant to Section 8 of the Act arising from its ownership of 100% of YTLSH.
- (5) Deemed interests by virtue of interests held through YTL Cement pursuant to Section 8 of the Act arising from its ownership of 100% of YTLSF in its capacity as trustee.
- (6) Deemed interests by virtue of interests held through YTL Cement pursuant to Section 8 of the Act arising from her beneficial interest (held through YTLST in its capacity as trustee) in YTLSF.

Maximum Scenario

Name	(I)				(II)						
	As at the LPD		After full conversion of the existing ICPS of MCB ⁽⁶⁾		After (I) and assuming full exercise of the Options to be issued under the Proposed ESOS ⁽⁸⁾						
	Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect			
No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(3)%	No. of Shares	(3)%		
YTL Cement	1,029,615,502	78.58	-	-	1,496,282,169	84.21	-	73.23	1,496,282,169	73.23	
YTL Corp	-	-	(4)1,029,615,502	78.58	-	-	(4)1,496,282,169	84.21	-	(4)1,496,282,169	73.23
YTL SH	-	-	(4)1,029,615,502	78.58	-	-	(4)1,496,282,169	84.21	-	(4)1,496,282,169	73.23
YTL SF	-	-	(5)1,029,615,502	78.58	-	-	(5)1,496,282,169	84.21	-	(5)1,496,282,169	73.23
YTL ST	-	-	(6)1,029,615,502	78.58	-	-	(6)1,496,282,169	84.21	-	(6)1,496,282,169	73.23
Puan Sri Tan Kai Yong	-	-	(7)1,029,615,502	78.58	-	-	(7)1,496,282,169	84.21	-	(7)1,496,282,169	73.23
ASB	70,000,000	5.34	-	-	70,000,000	3.94	-	-	70,000,000	3.43	-

Notes:

- (1) Based on the issued share capital of our Company of 1,310,201,650 Shares as at the LPD.
- (2) Based on the issued share capital of our Company of 1,776,868,317 Shares.
- (3) Based on the issued share capital of our Company of 2,043,398,517 Shares.
- (4) Deemed interest by virtue of interest held through YTL Cement pursuant to Section 8 of the Act.
- (5) Deemed interest by virtue of interest held through YTL Cement pursuant to Section 8 of the Act arising from its ownership of 100% of YTL SH.
- (6) Deemed interests by virtue of interests held through YTL Cement pursuant to Section 8 of the Act arising from its ownership of 100% of YTL SF in its capacity as trustee.
- (7) Deemed interests by virtue of interests held through YTL Cement pursuant to Section 8 of the Act arising from her beneficial interest (held through YTL ST in its capacity as trustee) in YTL SF.
- (8) For illustrative purposes only as YTL Cement may not be able to convert all of the ICPS of MCB. YTL Cement has given a written irrevocable undertaking that it shall not convert the ICPS of MCB held by it if after conversion of such number of ICPS will result in the Company not being able to comply with the percentage of public shareholding spread as approved by Bursa Securities.

4.3 NA and gearing

The Proposed ESOS is not expected to have an immediate effect on the NA, NA per Share and gearing of our Group until such time when the Options to be granted under the 2022 Scheme are exercised. Any potential effect on the NA, NA per Share and gearing of our Group will depend on, amongst others, the Option Price, the number of Options to be granted, the vesting conditions, the number of new Shares to be issued upon the exercise of the Options and the use of proceeds from the exercise of the Options.

For illustrative purposes, upon the exercise of the Options under the 2022 Scheme, the consolidated NA per Share is expected to:

- (i) increase if the exercise price of the Options is higher than the consolidated NA per Share; or
- (ii) decrease if the exercise price of the Options is lower than the consolidated NA per Share,

at such point of exercise.

4.4 Earnings and EPS

The Proposed ESOS is not expected to have any immediate material effect on the earnings of our Group. In accordance with MFRS 2, the potential cost of the granting of Options under the 2022 Scheme will need to be measured at the grant date and recognised as an expense in the income statement. The total potential cost of the Options granted would depend on, among others, the number of Options granted and the fair value of such Options. The fair value of the Options is dependent on factors such as the volatility of our Shares, the Option Price and the Scheme Period.

As such, the effect of the Proposed ESOS on the earnings and EPS of our Group cannot be determined at this juncture. The cost relating to the Options granted will be measured at the Date of Offer of the Options and recognised as an expense in the income statement of our Company over the vesting period of such Options. However, it should be noted that the estimated cost does not represent a cash outflow as it is merely an accounting treatment.

For illustrative purposes, excluding the effects of the future earnings contribution to our Group and the potential cost of awarding the Options under MFRS 2, the Proposed ESOS will have a dilutive effect on the consolidated EPS of our Company due to the increase in the number of Shares resulting from the issuance of new Shares arising from the exercise of Options under the 2022 Scheme.

Nevertheless, our Board has taken note of the potential impact of MFRS 2 on our Group's future earnings and shall take into consideration such impact in the allocation and granting of Options to Eligible Persons.

4.5 Convertible securities

Save for the existing ICPS of MCB, our Company does not have any other convertible securities as at the LPD.

The Proposed ESOS will not have any effect on the terms and conditions of the existing ICPS of MCB.

5. HISTORICAL SHARE PRICES

The following table sets out the monthly high and low prices of our Shares as traded on Bursa Securities for the last 12 months preceding the date of this Circular:

	<u>High</u> <u>RM</u>	<u>Low</u> <u>RM</u>
2022		
January	2.56	2.03
2021		
December	2.64	2.32
November	3.14	2.35
October	3.20	2.92
September	3.13	2.84
August	3.00	2.68
July	2.95	2.70
June	3.17	2.84
May	3.30	2.70
April	3.19	2.57
March	2.75	2.30
February	2.60	2.04

Last transacted price of our Shares on 7 February 2022, being the day prior to the date of announcement of the Proposed ESOS on 8 February 2022

RM2.05

Last transacted price of our Shares on the LPD

RM2.15

(Source: Bloomberg)

6. APPROVALS REQUIRED

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

- (i) Bursa Securities for the listing and quotation of such number of new Shares to be issued upon the exercise of the Options to be granted under the Proposed ESOS, which was obtained via its letter dated 14 February 2022 subject to the conditions set out in Section 1.2 of this Circular;
- (ii) our shareholders at our forthcoming EGM; and
- (iii) any other relevant authorities, if required.

7. INTEREST OF OUR DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

All our directors, namely Tan Sri (Sir) Francis Yeoh Sock Ping, Dato' Sri Michael Yeoh Sock Siong, Tan Sri Datuk Asmat Bin Kamaludin, Dato' Tan Guan Cheong, Dato' Yoogalingam A/L Vyramuttu, Dato' Yeoh Seok Kian, Dato' Yeoh Seok Hong, Dato' Yeoh Soo Keng and Yeoh Khoon Cheng are deemed interested in the Proposed ESOS in respect of their respective entitlements and the entitlements of persons connected to them under the Proposed ESOS.

Our directors have abstained and will continue to abstain from all deliberations, recommendations and voting in respect of their own respective entitlements and the entitlements of persons connected to them under the Proposed ESOS at the relevant Board meetings. Our directors will also abstain from voting in respect of their direct and/or indirect shareholdings in our Company, if any, on the ordinary resolutions pertaining to their respective entitlements and the entitlements of persons connected to them under the Proposed ESOS, to be tabled at our forthcoming EGM.

Puan Sri Tan Kai Yong is a major shareholder of our Company through her interest in YTL Cement, YTL SH, YTL SF and YTL ST. In addition, Puan Sri Tan Kai Yong is a director of YTL SH, YTL SF and YTL ST. Puan Sri Tan Kai Yong is also the mother of Tan Sri (Sir) Francis Yeoh Sock Ping, Dato' Sri Michael Yeoh Sock Siong, Dato' Yeoh Seok Kian, Dato' Yeoh Seok Hong and Dato' Yeoh Soo Keng ("**Yeoh Siblings**"). The Yeoh Siblings are directors of MCB, YTL Cement, YTL Corp and YTL SH. The Yeoh Siblings, save for Dato' Yeoh Soo Keng, are also the directors of YTL SF and YTL ST. Tan Sri (Sir) Francis Yeoh Sock Ping and Dato' Sri Michael Yeoh Sock Siong are shareholders of MCB.

As such, Puan Sri Tan Kai Yong, YTL Cement, YTL Corp, YTL SH, YTL SF and YTL ST (collectively referred to as "**Interested Major Shareholders**") are deemed interested in the Proposed ESOS in respect of the entitlements of persons connected to them and accordingly, will abstain from voting in respect of their direct and/or indirect shareholdings in our Company, if any, on the ordinary resolutions pertaining to the entitlements of the Yeoh Siblings and/or the entitlements of persons connected to them under the Proposed ESOS, to be tabled at our forthcoming EGM.

The shareholdings of our directors and Interested Major Shareholders who have direct and/or indirect shareholdings in our Company as at the LPD are as follows:

Name	As at the LPD			
	Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%
<u>Directors</u>				
Tan Sri (Sir) Francis Yeoh Sock Ping, PSM, KBE	-	-	(2)500,000	0.04
Dato' Sri Michael Yeoh Sock Siong	-	-	(2)2,100	*
Dato' Tan Guan Cheong	-	-	(2)80,000	0.01
<u>Interested Major Shareholders</u>				
YTL Cement	1,029,615,502	78.58	-	-
YTL Corp	-	-	(3)1,029,615,502	78.58
YTL SH	-	-	(3)1,029,615,502	78.58
YTL SF	-	-	(4)1,029,615,502	78.58
YTL ST	-	-	(5)1,029,615,502	78.58
Puan Sri Tan Kai Yong	-	-	(6)1,029,615,502	78.58

Notes:

- * Less than 0.01%.
- (1) Based on the issued share capital of our Company of 1,310,201,650 Shares as at the LPD.
- (2) Deemed interest by virtue of interest held through spouse and/or children pursuant to Section 59(11)(c) of the Act.
- (3) Deemed interest by virtue of interest held through YTL Cement pursuant to Section 8 of the Act.
- (4) Deemed interest by virtue of interest held through YTL Cement pursuant to Section 8 of the Act arising from its ownership of 100% of YTL SH.
- (5) Deemed interest by virtue of interest held through YTL Cement pursuant to Section 8 of the Act arising from its ownership of 100% of YTL SF in its capacity as trustee.
- (6) Deemed interest by virtue of interest held through YTL Cement pursuant to Section 8 of the Act arising from her beneficial interests (held through YTL ST in its capacity as trustee) in YTL SF.

Save as disclosed above and as at the LPD, the other directors of our Company, namely, Tan Sri Datuk Asmat Bin Kamaludin, Dato' Yoogalingam A/L Vyramuttu, Dato' Yeoh Seok Kian, Dato' Yeoh Seok Hong, Dato' Yeoh Soo Keng and Yeoh Khoon Cheng do not hold any Shares in our Company.

The following employee of our Group is entitled to participate in the Proposed ESOS and is a person connected to the Yeoh Siblings and the Interested Major Shareholders ("**Interested Person Connected**"). The details, together with any direct and/or indirect shareholdings of the Interested Person Connected in our Company as at the LPD, are as follows:

Name	As at the LPD			
	Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%
Yeoh Keong Junn ⁽²⁾	100,000	0.01	-	-

Notes:

- (1) Based on the issued share capital of our Company of 1,310,201,650 Shares as at the LPD.
- (2) Son of Tan Sri (Sir) Francis Yeoh Sock Ping.

The Interested Person Connected will abstain from voting in respect of his direct and/or indirect shareholdings in our Company, if any, on the ordinary resolutions pertaining to his entitlements as well as the entitlements of the Yeoh Siblings, as the case may be, under the Proposed ESOS to be tabled at our forthcoming EGM. Accordingly, the Yeoh Siblings and the Interested Major Shareholders will also abstain from voting in respect of their direct and/or indirect shareholdings in our Company, if any, on the resolution pertaining to the entitlements of the Interested Person Connected (as applicable) under the Proposed ESOS to be tabled at our forthcoming EGM.

Our directors and Interested Major Shareholders will also ensure that persons connected to them will abstain from voting in respect of their direct and/or indirect shareholdings in our Company on the ordinary resolutions pertaining to the respective entitlements of our directors, if any, and the entitlements of persons connected to them under the Proposed ESOS to be tabled at our forthcoming EGM.

8. DIRECTORS' RECOMMENDATION

Our Board, having considered and deliberated on all aspects of the Proposed ESOS including the rationale and justifications for the Proposed ESOS, is of the opinion that the Proposed ESOS is in the best interest of our Group.

Accordingly, our Board recommends that you vote in favour of the ordinary resolutions pertaining to the Proposed ESOS to be tabled at our forthcoming EGM. In view of their interests, our Board has abstained from expressing an opinion and making any recommendation in respect of their respective entitlements as well as the entitlements of persons connected to them, if any, under the Proposed ESOS.

9. ESTIMATED TIMEFRAME TO COMPLETION

Barring any unforeseen circumstances, the Proposed ESOS is expected to be implemented by the 2nd quarter of 2022.

10. OUTSTANDING CORPORATE EXERCISE/SCHEME ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed ESOS, there is no outstanding corporate exercise/scheme by our Company which has been announced but pending completion as at the LPD.

The Proposed ESOS is not conditional upon any other corporate exercise/scheme of our Company.

11. EGM

Our EGM, the notice of which is enclosed in this Circular, will be conducted on a **fully virtual** basis through live streaming, online remote participation and voting via the online meeting platform hosted on the TIIH Online at <https://tiih.com.my> on Friday, 18 March 2022 at 3.00 p.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions pertaining to the Proposed ESOS.

The Notice of the EGM together with the Form of Proxy and Administrative Guide may be downloaded from our Company's website at <https://ytcement.my/meetings/>.

Please follow the procedures set out in the Administrative Guide for the EGM to register, participate, speak (in the form of real time submission of typed texts) and vote remotely via the Remote Participation and Voting facilities provided by Tricor on its TIIH Online at <https://tiih.com.my>.

If you are unable to participate and vote remotely at the EGM, you may appoint a proxy or proxies to do so in your stead by following the instructions set out in the Form of Proxy. The Form of Proxy must be deposited (by hand/post) at either of the following offices of Tricor:

Tricor's office		Tricor's Customer Service Centre
Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia	or	Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia

or lodged electronically (instead of depositing hardcopy) via TIIH Online at <https://tiih.com.my>, not less than forty-eight (48) hours before the time appointed for holding the EGM or at any adjournment thereof. The lodgment of the Form of Proxy does not preclude you from participating and voting remotely at the EGM should you subsequently wish to do so.

12. FURTHER INFORMATION

Please refer to the appendices of this Circular for further information.

Yours faithfully
for and on behalf of the Board of
MALAYAN CEMENT BERHAD

Y. Bhg. Tan Sri (Sir) Francis Yeoh Sock Ping, PSM, KBE
Executive Chairman

DRAFT BY-LAWS OF THE 2022 SCHEME

MALAYAN CEMENT BERHAD

("Company" or "MCB")

DRAFT BY-LAWS OF THE MALAYAN CEMENT BERHAD EMPLOYEES' SHARE OPTION
SCHEME 2022

BY-LAWS

1. DEFINITIONS AND INTERPRETATIONS

1.1 In these By-laws, the following words shall, unless the context otherwise requires, bear the following meanings:

2022 Scheme	:	Scheme for the grant of Options established and governed under these By-laws and known as the "Malayan Cement Berhad Employees' Share Option Scheme 2022"
Act	:	Companies Act, 2016, and any amendments made thereto from time to time and includes any re-enactment thereof
Adviser	:	In relation to a listed issuer, means a corporate finance adviser that may act as a principal adviser under the Securities Commission Malaysia's Principal Adviser Guidelines (as amended from time to time)
Board	:	The board of directors of MCB for the time being
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
Bursa Securities LR	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time
By-law(s)	:	These By-laws governing the 2022 Scheme, as amended, modified and/or supplemented from time to time in accordance with By-law 16
Calendar Days	:	Days according to the Gregorian calendar
CDS Account	:	The account established by the Depository for the recording of deposit and withdrawal of securities and for dealing in such securities by a depositor
Central Depositories Act	:	Securities Industry (Central Depositories) Act 1991, as amended from time to time and includes any re-enactment thereof
CMSA	:	Capital Markets and Services Act 2007, as amended from time to time and includes any re-enactment thereof
Constitution	:	The constitution of the Company, as amended from time to time
Depository	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))

Depository Rules	: Rules of the Depository, as amended from time to time
Director	: A natural person who holds a directorship in MCB or any of its Subsidiaries, whether in an executive or non-executive capacity
Effective Date	: The date on which the 2022 Scheme takes effect as shall be determined in accordance with By-law 17.1
Eligible Person	: has the meaning given to it in in By-law 3.1
Eligible Subsidiary	: has the meaning given to it in By-law 3.3
ESOS Options or Options	: The right of a Grantee to subscribe for new MCB Shares pursuant to the contract constituted by the acceptance of an Offer by an Eligible Person in the manner indicated in By-law 7
Grantee	: An Eligible Person who has accepted an Offer in accordance with the provisions of By-law 7
Market Day	: A day on which the stock market of Bursa Securities is open for official trading
Maximum Allowable Allotment	: has the meaning given to it in By-law 5.1
Maximum Scheme Shares	: has the meaning given to it in By-law 2.1
Offer	: An offer made in writing by the Options Committee to an Eligible Person in the manner indicated in By-law 4
Offer Date	: The date on which an Offer (including any subsequent Offers) is made to an Eligible Person to participate in the 2022 Scheme by the Options Committee
Offer Period	: The period of thirty (30) days from the Offer Date or such other period as may be determined by the Options Committee on a case by case basis at its sole and absolute discretion, and specified in the Offer, during which an Offer may be accepted
Option Period	: The period commencing from the Offer Date to a date not exceeding ten (10) years subject to provisions of By-law 17
Options Committee	: The committee duly appointed and authorised by the Board in accordance with By-law 15 to implement and administer the 2022 Scheme in accordance with these By-laws
Person(s) Connected	: Person(s) connected as defined in paragraph 1.01 of the Bursa Securities LR
Record of Depositors	: Shall have the meaning as defined in the Depository Rules
RM and sen	: Ringgit Malaysia and sen, respectively, the lawful currency of Malaysia
SC	: Securities Commission of Malaysia
Scheme Period	: The period of the 2022 Scheme as set out in By-law 17.1
Subscription Price	: The price at which a Grantee shall be entitled to subscribe for new MCB Shares as set out in By-law 6

Subsidiary	: A company which is for the time being a subsidiary of the Company as defined in Section 4 of the Act and shall include any subsidiary existing as at the Effective Date and any subsidiary incorporated or acquired at any time during Scheme Period but excludes subsidiaries which (i) are dormant; or (ii) have been divested, and “Subsidiaries” shall be construed accordingly
Vesting Date(s)	: Three (3) years after the Offer Date or such other date or dates on which the Options or any part or proportion thereof granted shall vest in the Grantee, as stipulated by the Options Committee in the Offer
MCB or Company	: Malayan Cement Berhad (Company No. 195001000048 (1877-T))
MCB Group or Group	: MCB and its Subsidiaries collectively
MCB Share(s) or Shares	: Ordinary share(s) in the capital of the Company

1.2 In these By-laws:

- (i) any reference to a statutory provision shall include a reference to any and all subordinate legislation made from time to time under that provision or law;
- (ii) any liberty or power which may be exercised or any determination which may be made hereunder by the Options Committee may be exercised in the Options Committee's sole and absolute discretion and the Options Committee shall not be under any obligation to provide any reasons therefor, except as may be required by the relevant authorities;
- (iii) the term “month” means calendar month;
- (iv) words denoting one gender include all other genders and words denoting the singular include the plural and vice versa;
- (v) the headings in these By-laws are for convenience only and shall not be taken into account in the interpretation of these By-laws; and
- (vi) 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 Market Day after that day.

2. MAXIMUM NUMBER OF NEW SHARES AVAILABLE UNDER THE 2022 SCHEME

- 2.1 Subject to By-law 2.2, the maximum number of new Shares to be allotted and issued under the 2022 Scheme, when aggregated with the number of new Shares that may be allotted and issued under any other share issuance scheme involving new issuance of Shares which may be implemented from time to time by the Company, shall not exceed fifteen per cent (15%) of the total number of issued shares of the Company (excluding treasury shares, if any) or such other percentage of the total number of issued shares of the Company (excluding treasury shares, if any) that may be permitted by Bursa Securities or any other relevant authorities from time to time, throughout the Scheme Period (“**Maximum Scheme Shares**”).

2.2 In the event MCB purchases or cancels its own shares in accordance with the Act or otherwise howsoever or undertakes any other corporate proposal resulting in the reduction of its total number of issued ordinary shares (excluding treasury shares, if any), the following provisions shall apply in respect of future Offers (provided that all the valid Offers which are pending acceptances, and Options that have not been vested and/or Options that have been vested, prior to such purchase and/or reduction of the total number of issued ordinary shares of MCB shall remain valid or exercisable in accordance with the provisions of the 2022 Scheme as if that reduction/adjustment had not occurred):

- (a) if, after such purchase, cancellation and/or reduction, the aggregate number of MCB Shares in respect of the Options granted (whether or not exercised) by MCB as at the date of purchase, cancellation and/or reduction of Shares is greater than the Maximum Scheme Shares, no further Offers shall be made by the Options Committee until such aggregate number of MCB Shares to be issued under the 2022 Scheme falls below the Maximum Scheme Shares; and
- (b) if, after such purchase, cancellation and/or reduction, the aggregate number of MCB Shares in respect of the Options granted (whether or not exercised) by MCB as at the date of purchase, cancellation and/or reduction of Shares is less than the Maximum Scheme Shares, the Options Committee may make further Offers but only until such aggregate number of MCB Shares to be issued under the 2022 Scheme is equivalent to the Maximum Scheme Shares after such purchase, cancellation and/or reduction.

3. DETERMINATION OF ELIGIBILITY

3.1 Any person who is:

- (i) a Director; and/or
- (ii) an employee of a corporation in the Group,

who meets the following criteria as at the Offer Date shall be eligible for consideration and selection by the Options Committee to participate in the 2022 Scheme:

- A. the person has attained the age of eighteen (18) years, is not an undischarged bankrupt and is not subject to any bankruptcy proceedings;
- B. the person, save for a non-executive Director, must be on the payroll of a company within the MCB Group; and
 - (a) he is employed on a full time basis, has not served a notice to resign or received a notice of termination; or
 - (b) he is serving in a specific designation under an employment contract for a fixed duration, excluding those who are employed on a short-term contract or any other employees under contract as may be determined by the Options Committee;
- C. the person's employment, save for a non-executive Director, is for a period of at least one (1) year of continuous service prior to and up to the Offer Date, including service during the probation period, and is confirmed in service; and
- D. the person fulfils any other criteria and/or falls within such category as may be set by the Options Committee from time to time,

("Eligible Person").

- 3.2 Notwithstanding By-law 3.1, the Options Committee may, at its sole and absolute discretion, consider and select any employee (including Directors) of the Group to be an Eligible Person despite the eligibility criteria under By-law 3.1(C) hereof not being met, at any time and from time to time.
- 3.3 Notwithstanding By-law 3.1, the Options Committee may, at its discretion, nominate any Subsidiary to be a company participating in the 2022 Scheme ("**Eligible Subsidiary**") at any time and from time to time. A company shall cease to be an Eligible Subsidiary at the time when such company ceases to be a Subsidiary. Additionally, the Options Committee may at its discretion revoke or suspend the nomination of any Eligible Subsidiary at any time and from time to time, whereupon the employees of such company shall henceforth cease to be eligible to receive an Offer under the 2022 Scheme provided that any Option already granted shall not be affected by such revocation or suspension.
- 3.4 Notwithstanding By-law 3.1, the Options Committee shall have the sole and absolute discretion at any time and from time to time to select and identify suitable Eligible Persons to be offered Options. In the event any Eligible Person is a member of the Options Committee, such Eligible Person shall not participate in the deliberation or discussion of their own respective selection and allocation of Options to themselves or any person connected with them.
- 3.5 In the case of a Grantee who was employed in a company related to the Group as defined in Section 7 of the Act and is subsequently transferred from such company to any company not within the MCB Group, such Grantee shall continue to be entitled to exercise any unexercised Options, upon the same terms and conditions as may be set out in the Offer.
- 3.6 In the case of an employee who is in the employment or under a contract of service of a company (hereinafter referred to as "**Previous Company**") which subsequently becomes a member of the MCB Group as a result of a restructuring or divestment exercise or other exercise involving MCB and/or any company within the MCB Group ("**Affected Employee**"); and the Affected Employee is confirmed, and has been, in the employment of the Previous Company for at least one (1) year of continuous service including the service during any probation period, or in the case of an executive Director, has served in such capacity in such company for at least one (1) year; and if such Affected Employee satisfies all the conditions of these By-laws, then he shall be eligible to be considered for an Offer for the remaining Scheme Period at the sole and absolute discretion of the Options Committee.
- 3.7 Notwithstanding By-law 3.6:
- (i) the Options Committee shall have the discretion at any time and from time to time to extend the benefit of the 2022 Scheme to any Affected Employees who are not Eligible Persons and deem such Affected Employees to be Eligible Persons for the purposes of the 2022 Scheme; or
 - (ii) the period of the Affected Employee's employment with the Previous Company shall be treated as employment with the Group for the purposes of eligibility under By-law 3 hereof; and
 - (iii) where the Affected Employee has participated in an employees' share option scheme in the Previous Company (the "**Previous ESOS**"), the Options Committee has the discretion to offer Options under the 2022 Scheme.
- 3.8 Where an employee is transferred to a non-Eligible Subsidiary or an associated company (hereinafter referred to as "**Subsequent Company**") from MCB or an Eligible Subsidiary, that employee shall be entitled to continue to exercise his remaining Options subject to the provisions of By-law 8 hereof.

- 3.9 If a Grantee who held office or was in the employment or under a contract of service with a company within the Group which has ceased to be a Subsidiary as a result of a restructuring or divestment exercise or otherwise (other than a takeover or reconstruction as provided under these By-laws), the Options Committee may in its sole and absolute discretion:
- (i) permit the exercise of any portion of the Options thereof that is not exercised by the Grantee at any time subject to such terms and conditions as may be prescribed; or
 - (ii) terminate any portion of the Options thereof that is not exercised by the Grantee,
- notwithstanding that:
- (a) the Option Period has not commenced; and/or
 - (b) other terms and conditions set out in the Offer has not been fulfilled/satisfied.
- 3.10 All Options which may be allowed by the Options Committee to be exercisable under By-law 3.9(i), to the extent unexercised by the date prescribed by the Options Committee, shall automatically lapse and shall become null and void.
- 3.11 Eligibility under the 2022 Scheme does not confer on an Eligible Person a claim or right to participate in or any rights whatsoever under the 2022 Scheme and an Eligible Person does not acquire or have any rights over or in connection with Options or the MCB Shares comprised herein unless an Offer has been made by the Options Committee to the Eligible Person and the Eligible Person has accepted the Offer in accordance with the terms of the Offer and the 2022 Scheme.

4. OFFER

- 4.1 The Options Committee may, within the Scheme Period, make one or more Offers to any Eligible Persons (based on the criteria of allocation as set out in By-law 5 hereof) whom the Options Committee may in its sole and absolute discretion select.
- 4.2 The Options Committee shall have the absolute discretion in determining whether the granting of the Options under this 2022 Scheme are to be offered to the Eligible Persons by way of:
- (i) one single Offer at a time determined by the Options Committee; or
 - (ii) several Offers which are staggered or made in several tranches at such times as may be determined by the Options Committee,
- provided always that the aggregate number of Shares in respect of the Options granted shall not exceed the Maximum Scheme Shares.
- 4.3 Subject always to By-law 2 and 5 hereof, the actual number of MCB Shares which may be offered to an Eligible Person shall be at the discretion of the Options Committee and, subject to any adjustments that may be made under By-law 13 hereof, shall not be less than one thousand (1,000) MCB Shares and shall always be in multiples of one hundred (100) MCB Shares.
- 4.4 An Offer may be made upon such terms and conditions as the Options Committee may decide from time to time. Each Offer shall be made in writing and is personal to the Eligible Person and cannot be assigned, transferred, encumbered or otherwise disposed of in any manner whatsoever.

- 4.5 The terms and conditions set out in the letter of offer ("**Offer Letter**") from the Options Committee to an Eligible Person may include the following, where applicable:
- (i) the number of new Shares entitled to be received upon the exercise of the Option;
 - (ii) the Subscription Price;
 - (iii) Option Period;
 - (iv) Offer Period; and
 - (v) Vesting Date(s);

and may include such / any other conditions as may be deemed necessary by the Options Committee.

- 4.6 Without prejudice to By-law 15, in the event the Offer Letter contains an error in stating any of the particulars in By-law 4.5 above or any other particulars, the Options Committee may, issue a revised Offer Letter, stating the correct particulars of the Offer within 21 Calendar Days of discovering such error and the revised particulars of the Offer shall take effect on the date of the revised Offer Letter except for Options which have already been exercised as at the date of the revised Offer Letter.

5. MAXIMUM ALLOWABLE ALLOTMENT AND BASIS OF ALLOTMENT

- 5.1 Subject to any adjustments which may be made under By-law 13, the aggregate number of new Shares that may be offered under the Options and allotted and issued to any one of the Eligible Persons shall be at the sole and absolute discretion of the Options Committee after taking into consideration, amongst other factors, the performance, seniority and number of years in service of the Eligible Person, subject always to By-law 2 and the following:
- (i) the Directors and senior management of MCB Group do not participate in the deliberation or discussion of their own allocation and the allocation to any Persons Connected with them;
 - (ii) not more than seventy per cent (70%) of the total Options shall be allocated, in aggregate, to Directors and senior management of MCB Group; and
 - (iii) not more than ten per cent (10%) of the Maximum Scheme Shares shall be allocated to any Eligible Person who, either singly or collectively through Persons Connected with them, holds twenty per cent (20%) or more in the total number of issued ordinary shares of the Company (excluding treasury shares, if any),

("Maximum Allowable Allotment").

- 5.2 Subject to By-law 5.1 above and any adjustments which may be made under By-law 13, the Options Committee shall have the sole and absolute discretion to determine the actual number of Options that may be allocated to a Grantee and the vesting period (if any) after taking into consideration, among others, the provisions of the Bursa Securities LR or other applicable regulatory requirements by other relevant authorities prevailing during the Scheme Period.

6. SUBSCRIPTION PRICE

- 6.1 Subject to the Bursa Securities LR and any adjustments in accordance with By-law 13, the Subscription Price shall be determined by the Board upon the recommendation of the Options Committee and shall be fixed based on the 5-day volume weighted average market price of Shares, as quoted on Bursa Securities, immediately preceding the Offer Date of the Option with a discount of not more than ten per cent (10%), if deemed appropriate, or such lower or higher limit in accordance with any prevailing guidelines issued by Bursa Securities or any other relevant authorities as amended from time to time during the Scheme Period.
- 6.2 The Subscription Price as determined by the Board shall be conclusive and binding on the Grantee.
- 6.3 The Subscription Price shall be stipulated in each certificate of Option.

7. ACCEPTANCE OF THE OFFER

- 7.1 An Offer may only be accepted by an Eligible Person during the Offer Period. The acceptance of an Offer shall be made by way of a written notice from the Eligible Person to the Options Committee in the form and manner as prescribed by the Options Committee. In the event that the Eligible Person fails to accept the Offer within the Offer Period, the Offer shall automatically lapse, be deemed rejected by the Eligible Person and shall be null and void, and of no effect, and the Offer may, at the sole and absolute discretion of the Options Committee, be re-offered to other Eligible Persons in accordance with these By-laws, provided that the Options Committee shall not be precluded from making a fresh Offer to the Eligible Person subsequently.
- 7.2 Acceptance of the Offer by an Eligible Person shall be accompanied by a non-refundable payment to the Company of a sum of Ringgit Malaysia One (RM1.00) per Offer irrespective of the number of MCB Shares available for subscription relating to the Offer or such other amount of payment as may be determined at the discretion of the Options Committee as non-refundable consideration for the Option. The date of receipt by the Company of such written notice together with the payment sum shall constitute the date of acceptance of the Offer by the Eligible Person.
- 7.3 Upon acceptance of the Offer in accordance with these By-laws, the Eligible Person shall be referred to as a Grantee for the purposes of these By-laws.
- 7.4 Within thirty (30) Calendar Days after the due acceptance of the Offer in accordance with the provisions of this By-law 7, the Options Committee shall issue to the Grantee a certificate of Option in such form as may be determined by the Options Committee.

8. EXERCISE OF OPTIONS

- 8.1 In the event the conditions stipulated in an Offer in respect of any one or more Grantee cannot be fully achieved/satisfied, the Options Committee may in its sole and absolute discretion by notice in writing to such Grantee(s), waive, vary or revise any condition stipulated in the Offer and/or impose such other conditions as the Options Committee deems fit in respect of the vesting of the Options to such Grantees.
- 8.2 No Grantee shall have any right to or interest in the Shares or right to exercise the Options granted to him unless and until the Vesting Date or the date during the Option Period on which the Options can be exercised has occurred.

- 8.3 Subject to By-law 8.4, an Option can be exercised by the Grantee by notice in writing to the Company or Options Committee within the Option Period in respect of all or any part of the new MCB Shares comprised in the Option, such part being in multiples of and not less than one hundred (100) MCB Shares, save and except that in the event a Grantee's balance of MCB Shares exercisable in accordance with these By-laws shall be less than one hundred (100), the said balance shall, if exercised, be exercised in a single tranche. Such partial exercise of an Option shall not preclude the Grantee from exercising the Option in respect of the balance of the MCB Shares comprised in the Option.
- 8.4 Subject to By-law 13, the Options Committee may, at any time and from time to time, before or after an Option is granted, limit the exercise of the Option to a maximum number of new MCB Shares and/or such percentage of the total MCB Shares comprised in the Option during such period(s) within the Option Period. Notwithstanding the above, and subject to By-laws 10 and 11 hereof, the Option can only be exercised by the Grantee no earlier than the Vesting Date(s).
- 8.5 Every such notice must be in the form prescribed by the Options Committee from time to time and shall be accompanied by a remittance (calculated in accordance with the provisions of By-law 6 hereof) for the full amount in Ringgit Malaysia of the subscription monies for the new MCB Shares in respect of which the notice is given, in the form of a banker's draft or cashier's order drawn and payable in Malaysia or other mode acceptable to the Options Committee. Within eight (8) Market Days from the receipt by the Company of the aforesaid notice and remittance for the full amount of monies for the MCB Shares from the Grantee or such other period as may be prescribed by Bursa Securities, the Company shall:
- (i) allot and issue the relevant number of new MCB Shares;
 - (ii) dispatch notices of allotment and issue such MCB Shares issued pursuant to the Option to the Grantee accordingly, subject to the provisions in the Constitution; and
 - (iii) make an application to Bursa Securities for the quotation of such new MCB shares issued pursuant to the Option (where applicable).
- 8.6 The new MCB Shares to be issued pursuant to the exercise of an Option will be credited directly into the CDS Account of the Grantee and no physical share certificate will be issued.
- 8.7 The new MCB Shares to be allotted and issued upon the exercise of any Options granted under the 2022 Scheme will, upon allotment and issue, rank pari passu in all respects with the then existing issued MCB Shares and will be subject to all the provisions of the Constitution including but not limited to rights relating to voting, transfer and otherwise, provided that in the event there is any right to participate in any rights, allotments or any distributions, the new MCB Shares shall rank pari passu with the then existing MCB Shares in respect of their right to participate in such rights, allotments or distributions if the relevant exercise date occurs not less than seven (7) Market Days before the Record Date. For the purpose hereof, "**Record Date**" means the date as at the close of business on which shareholders must be entered in the Record of Depositors maintained with the Depository in order to be entitled to any dividends, rights, allotments or any other distributions. The Options shall not carry any rights to vote at any general meeting of the Company.
- 8.8 All Options to the extent that they have not been exercised upon the expiry of the Option Period shall lapse and have no further effect.
- 8.9 Any failure to comply with the procedures specified by the Options Committee or to provide information required by the Company or Options Committee in the notice to exercise the Options by the Grantee or inaccuracy in the CDS Account number provided in the notice to exercise shall result in the notice to exercise being rejected at the discretion of the Options Committee, and the Options Committee shall inform the Grantee of the rejection of the notice to exercise within fourteen (14) Market Days from the date of rejection and the Grantee shall be deemed not to have exercised his/her Option.

- 8.10 Subject to the discretion of the Options Committee to waive any breach, failure by a Grantee to comply with the procedure for an exercise of Option as stipulated in the provisions of By-law 8 will invalidate the purported exercise of such Option by the Grantee.
- 8.11 The Group, the Board (including Directors who had resigned but were on the Board during the Option Period) and the Options Committee shall not under any circumstances be held liable to any person for any cost, losses, expenses, damages, liabilities, gains or profits foregone, howsoever arising in the event of any delay on the part of the Company in allotting and 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 notice to exercise in respect of the Options or for any errors in any Offer of Options.
- 8.12 In the event an Eligible Person is subjected to disciplinary proceedings (whether or not such disciplinary proceedings will give rise to a dismissal or termination of service) after an Offer is made but before the acceptance thereof by such Eligible Person, the Offer is deemed withdrawn and no longer capable of acceptance, unless otherwise decided by the Options Committee who may in so doing, impose such terms and conditions as it deems appropriate having regard to the nature of the disciplinary proceedings made or brought against the Eligible Person. Nothing herein shall prevent the Options Committee (but the Options Committee shall not be obliged to do so) from making a fresh Offer to such Eligible Person in the event such disciplinary proceedings is dismissed and/or found in his favour, or if such disciplinary proceedings is withdrawn provided that such Offer is made within the duration of the Scheme Period.
- 8.13 In the event that a Grantee is subject to disciplinary proceedings (whether or not such disciplinary proceedings will give rise to a dismissal or termination of service) the Options Committee shall have the right, at its discretion, to suspend any Options which have not been fully exercised pending the outcome of such disciplinary proceedings. The Options Committee may impose such terms and conditions as the Options Committee shall deem appropriate having regard to the nature of the disciplinary proceedings made or brought against the Grantee PROVIDED ALWAYS THAT:
- (i) in the event that such Grantee shall subsequently be found to be not guilty of the charges which give rise to such disciplinary proceedings, the Options Committee shall reinstate the rights of such Grantee to exercise his Option as if such disciplinary proceeding had not been instituted in the first place provided such reinstatement is made within the Scheme Period;
 - (ii) in the event the disciplinary proceeding results in a recommendation for the dismissal or termination of service of such Grantee, the Option shall immediately lapse and be null and void and of no further force and effect upon pronouncement of the dismissal or termination of service of such Grantee notwithstanding that such recommendation may be subsequently challenged by the Grantee in any other forum; and
 - (iii) in the event such Grantee is found guilty but no dismissal or termination of service is recommended, the Options Committee shall have the right to determine at its discretion whether or not the Grantee may continue to exercise his Option and if so, to impose such limits, terms and conditions as it deems appropriate, on such exercise.

9. TERMINATION OF OFFERS AND OPTIONS NOT EXERCISED

- 9.1 Subject to By-laws 9.2 and 9.3, any Options that have yet to be vested to a Grantee and/or any unaccepted Offer in respect of an Eligible Person and/or any portion of the Options thereof that is not exercised in respect of a Grantee shall forthwith lapse and/or be deemed to be cancelled and/or ceased to be exercisable by a Grantee, as the case may be, without any liability to or right to claim against the Company, any member of the Group, the Board and/or the Options Committee upon the occurrence of any one or more of the following events:

- (i) resignation, termination or cessation of employment of an Eligible Person or Grantee, for any reason;
- (ii) expiry, termination or cessation of a contract of service of an Eligible Person or Grantee, for any reason;
- (iii) retirement on attaining the retirement age under the Group's retirement policy;
- (iv) retirement before attaining the normal retirement age;
- (v) bankruptcy of any Eligible Person or Grantee;
- (vi) any other circumstances which are acceptable to the Options Committee.

9.2 In the event of the termination or cessation of employment or contract of service of the Eligible Person or Grantee with the Group in any of the following circumstances:

- (i) retirement on attaining the retirement age under the Group's retirement policy;
- (ii) retirement before attaining the normal retirement age;
- (iii) ill-health, injury, physical or mental disability or mental disorder;
- (iv) redundancy or retrenchment, or cessation of service pursuant to the acceptance by the Eligible Person or Grantee of voluntary separation scheme offered by the Company or a relevant member of the Group;
- (v) termination or non-renewal of contract of service;
- (vi) winding-up or liquidation of a relevant member of the Group; or
- (vii) any other circumstances which are acceptable to the Options Committee in its sole and absolute discretion;

the Options Committee may in its discretion permit the exercise of any Options which are not exercised by the Grantee at any time until a prescribed date subject to such terms and conditions as may be prescribed notwithstanding that:

- (a) the Vesting Date is not due or has not occurred; and/or
- (b) the Option Period has not commenced; and/or
- (c) other terms and conditions set out in the Offer has not been fulfilled/satisfied;

provided that unless the Options Committee in its sole and absolute discretion so permits such vesting or exercise, as the case may be by notice in writing to the Grantee, any unaccepted Offer and/or any Options not exercised in respect of a Grantee shall forthwith lapse and/or be deemed to be cancelled and/or cease to be capable of vesting in a Grantee and/or cease to be exercisable, as the case may be, without any liability to or right to claim against the Company and/or Options Committee.

9.3 Where a Grantee dies before the expiry of the Option Period, the whole or any part of an Option held by the Grantee that is unexercised may be exercised by the legal personal representatives of the Grantee PROVIDED ALWAYS THAT no Option shall be exercised after the expiry of the Option Period.

9.4 Any unaccepted Offer, and/or any portion of the Options thereof that is not exercised shall forthwith lapse and/or be deemed to be cancelled and/or cease to be capable of vesting/exercisable, as the case may be, without any claim against the Company and/or Options Committee upon the occurrence of one or more of the following events:

- (i) winding-up or liquidation of the Company; or
- (ii) termination of the 2022 Scheme pursuant to By-laws 10, 11 or 17.

9.5 Any unaccepted Offer and/or any portion of the Options thereof that is not exercised that ceases to be capable of being exercised by a Grantee, pursuant to this By-law 9, will continue to be available under the 2022 Scheme.

10. TAKEOVER

10.1 Notwithstanding By-law 9, in the event of:

- (i) a takeover offer being made for the Company through a general offer to acquire the whole or a part of the issued ordinary shares 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); or
- (ii) the Offeror becomes entitled or bound to exercise rights of compulsory acquisition of the MCB Shares under the provisions of any statutes, rules and/or regulations applicable at that point of time and gives notice to the Company that it intends to exercise such rights on a specific date; or
- (iii) the entry into and carrying into effect of a contract where the Company disposes of all or a substantial portion of its assets,

then the Options Committee may to the extent permitted by law, in its sole and absolute discretion, permit the exercise of all or any part of the Options by a Grantee at any time subject to such terms and conditions (if any) as may be prescribed by the Options Committee notwithstanding that:

- (a) the Vesting Date is not due or has not occurred;
- (b) the Option Period has not commenced; and/or
- (c) other terms and conditions set out in the Offer has not been fulfilled or satisfied.

10.2 Save for the Offers and/or Options to be vested, accepted or exercisable pursuant to By-law 10.1, all other Offers and/or Options shall, unless the Options Committee in its sole and absolute discretion determine otherwise, automatically terminate, lapse and shall become null and void to the extent unvested, unaccepted or unexercised by the date prescribed by the Options Committee, notwithstanding that the Option Period has not commenced or expired.

11. SCHEME OF ARRANGEMENT, AMALGAMATION, RECONSTRUCTION, ETC.

11.1 Notwithstanding By-law 9 and subject to the discretion of the Options Committee, in the event of the court sanctioning a compromise or arrangement between the Company and its members proposed for the purpose of, or in connection with, a scheme of arrangement and reconstruction of the Company or its amalgamation with any other company or companies, the Options Committee may upon its determination, permit a Grantee to exercise all or any part of his Option at any time subject to such terms and conditions as may be prescribed (if any) commencing from the date upon which the compromise or arrangement is sanctioned by the court and ending on the date upon which it becomes effective or on any other date specified by the Options Committee Notwithstanding that:

- (a) the Vesting Date is not due or has not occurred;
- (b) the Option Period has not commenced; and/or
- (c) other terms and conditions set out in the Offer has not been fulfilled or satisfied.

11.2 Save for the Offers and/or Options to be vested, accepted or exercisable pursuant to By-law 11.1, all other Offers and/or Options shall unless the Options Committee in its sole and absolute discretion determine otherwise, be automatically terminated, lapse and shall become null and void to the extent unvested, unaccepted or unexercised by the date prescribed by the Options Committee, notwithstanding that the Option Period has not commenced or expired.

12. RETENTION PERIOD

12.1 Subject to By-law 12.2, a Grantee shall be prohibited from disposing of MCB Shares allotted and issued to him through the exercise of the Option(s) for a period of one (1) year from the date on which the Option is exercised or such other period as may be determined by the Options Committee at its sole and absolute discretion. However, Grantees are encouraged to hold the new MCB Shares as investments rather than for realisation to yield immediate profit.

12.2 Notwithstanding any consent which may be given by the Options Committee for the disposal of the new Shares earlier than the expiry of the one (1) year period described above, a Grantee who is a non-executive director in the Company shall be prohibited from disposing of the new Shares so allotted to him pursuant to the 2022 Scheme for a period of one (1) year from the date on which the Option is exercised.

12.3 The expression “**disposing**” referred to in this By-law 12 shall mean selling, transferring, assigning or otherwise disposing of.

13. ALTERATION OF SHARE CAPITAL

13.1 In the event of any alteration in the capital structure of the Company during the Scheme Period, whether by way of capitalisation of profit or reserves, rights issues, bonus issues, reduction, subdivisions or consolidations of capital or any other variations of capital or otherwise howsoever taking place:

- (i) the Subscription Price;
- (ii) the number of MCB Shares comprised in the Option or any portion thereof that is unexercised; and/or
- (iii) the number of new Shares and/or Subscription Price comprised in an Offer which is open for acceptance (if such Offer is subsequently accepted in accordance with the terms and conditions of the Offer and the 2022 Scheme),

shall be adjusted in accordance with the relevant applicable formula set out in this By-law 13 (but so that if the event giving rise to any such adjustment shall be capable of falling within any two or more of By-laws 13.2(i) to (vii) herein or if such event is capable of giving rise to more than one (1) adjustment, the adjustment shall be made in such manner as the Adviser for the time being (acting as experts and not as arbitrators) shall determine.

- 13.2 (i) If and whenever a Share by reason of any consolidation or subdivision or conversion shall have a different share value, the Subscription Price shall be adjusted by multiplying it by the revised share value and dividing the result by the former share value and the number of Options held by each Grantee shall be adjusted by multiplying the existing number of Options held by the former share value and dividing the result by the revised share value.

Such adjustment will be effective from the close of business on the Market Day immediately preceding the date on which the consolidation or subdivision or conversion becomes effective (being the date when the Shares are traded on Bursa Securities at the new share value) or such other date as may be prescribed by Bursa Securities.

- (ii) If and whenever the Company shall make any issue of Shares to ordinary shareholders by way of bonus issue or capitalisation of profits or reserves (whether of a capital or income nature), the Subscription Price shall be adjusted by multiplying it by the following fraction:

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

and the number of Options held by each Grantee shall be adjusted by multiplying the existing number of Options held by the following fraction:

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

where:

- A = the aggregate number of issued Shares immediately before such bonus issue or capitalisation issue; and
- B = the aggregate number of Shares to be issued pursuant to any allotment to ordinary shareholders credited as fully paid by way of bonus issue or capitalisation of profits or reserves (whether of a capital or income nature).

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

- (iii) If and whenever the Company shall make:
- (a) 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
 - (b) any offer or invitation to ordinary shareholders where under they may acquire or subscribe for new Shares by way of rights; or
 - (c) any offer or invitation to ordinary shareholders by way of rights where under they may acquire or subscribe for securities convertible into Shares or securities with rights to acquire or subscribe for Shares;

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

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

and, in respect of the case referred to in this By-law 13.2 (iii)(b), the number of Options held by each Grantee shall be adjusted by multiplying the existing number of Options held by the following fraction:

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

where:

- C = the Current Market Price (as defined in By-law 13.2(viii) below) of each Share on the Market Day immediately preceding the date on which the Capital Distribution or, as the case may be, the offer or invitation is publicly announced to the Bursa Securities 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 = (1) in the case of an offer or invitation to acquire or subscribe for new Shares under By-law 13.2(iii)(b) above or for securities convertible into or with rights to acquire or subscribe for new Shares under By-law 13.2(iii)(c) above, the value of the rights attributable to one (1) Share (as defined below); or
- (2) in the case of any other transaction falling within this By-law 13.2(iii), the fair market value, as determined with the concurrence of an Adviser, of that portion of the Capital Distribution attributable to one (1) Share.

For the purpose of paragraph (1) 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 = as C above;
- E = the subscription price for one (1) additional Share under the terms of such offer or invitation or one (1) additional Share pursuant to the conversion of one (1) additional security convertible into Shares or one (1) additional security with rights to acquire or subscribe for Shares;
- F = the number of existing Share(s) which it is necessary to hold in order to be offered or invited to acquire or subscribe for one (1) additional Share or security convertible into Shares or one (1) additional security with rights to acquire or subscribe for Shares; and

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

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

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

where:

C = as C above;

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

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

For the purpose of this By-law 13.2 (iii), “**Capital Distribution**” shall (without prejudice to the generality of that expression) include distributions in cash or specie or by way of issue of new Shares (not falling under By-law 13.2 (ii)) or other securities credited as fully or partly paid up by way of capitalisation of profits or reserves of the Company (whether of a capital or income nature). Any distribution out of profits or reserve made (whenever paid or howsoever described) shall be deemed to be a Capital Distribution unless the distribution is paid out of the aggregate of the net profits attributable to the ordinary shareholders for any period after 30 June 2021 as shown in the audited consolidated profit and loss accounts of the Company.

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

- (iv) If and whenever the Company makes any allotment to its ordinary shareholders as provided in By-law 13.2(ii) above and also makes any offer or invitation to its ordinary shareholders as provided in By-law 13.2(iii)(b) or By-law 13.2(iii)(c) and the entitlement date for the purpose of the allotment is also the entitlement date for the purpose of the offer or invitation, the Subscription Price shall be adjusted by multiplying it by the following fraction:

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

and in respect of each case referred to in By-law 13.2(ii) and By-law 13.2(iii)(b) the number of Options held by each Grantee shall be adjusted by multiplying the existing number of Options held by the following fraction:

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

where:

- G = the aggregate number of issued Shares on the entitlement date;
- C = as C above;
- H = the aggregate number of new Shares under an offer or invitation to acquire or subscribe for Shares by way of rights or under an offer or invitation by way of rights to acquire or subscribe for securities convertible into Shares or rights to acquire or subscribe for Shares as the case may be;
- H* = the aggregate number of new Shares under an offer or invitation to acquire or subscribe for Shares by way of rights;
- I = the subscription price of one (1) additional new Share under the offer or invitation to acquire or subscribe for Shares or the exercise price on conversion of such securities or exercise of such rights to acquire or subscribe for one (1) additional Share, as the case may be;
- I* = the subscription price of one (1) additional new Share under the offer or invitation to acquire or subscribe for Shares; and
- B = as B above.

Such adjustment will be with effect (if appropriate, retroactively) from the commencement of the next Market Day following the entitlement date for such issue.

- (v) If and whenever the Company makes any offer or invitation to its ordinary shareholders to acquire or subscribe for new Shares as provided in By-law 13.2(iii)(b) together with an offer or invitation to acquire or subscribe for securities convertible into or rights to acquire or subscribe for new Shares as provided in By-law 13.2(iii)(c), the Subscription Price shall be adjusted by multiplying it by the following fraction:

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

and the number of Options held by each Grantee shall be adjusted by multiplying the existing number of Options held by the following fraction:

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

where:

- G = as G above;
- C = as C above;
- H = as H above;
- H* = as H* above;
- I = as I above;

- I* = as I* above;
- J = the aggregate number of new Shares to be issued to ordinary shareholders upon conversion of such securities or exercise of such rights to subscribe for new Shares by ordinary shareholders;
- K = the exercise price on conversion of such securities or exercise of such rights to acquire or subscribe for one (1) additional Share.

Such adjustment will be with effect (if appropriate, retroactively) from the commencement of the next Market Day following the entitlement date for the above transaction.

- (vi) If and whenever the Company makes an allotment to ordinary shareholders as provided in By-law 13.2(ii) above and also makes an offer or invitation to acquire or subscribe for Shares to its ordinary shareholders as provided in By-law 13.2(iii)(b) together with rights to acquire or subscribe for securities convertible into or with rights to acquire or subscribe for new Shares as provided in By-law 13.2(iii)(c), and the entitlement date for the purpose of the allotment is also the entitlement date for the purpose of the offer or invitation, the Subscription Price shall be adjusted by multiplying it by the following fraction:

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

and the number of Options held by each Grantee shall be adjusted by multiplying the existing number of Options held by the following fraction:

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

where:

- G = as G above;
- C = as C above;
- H = as H above;
- H* = as H* above;
- I = as I above;
- I* = as I* above;
- B = as B above;
- J = as J above;
- K = as K above.

Such adjustment will be with effect (if appropriate, retroactively) from the commencement of the next Market Day following the entitlement date for such issue.

- (vii) If and whenever (otherwise than pursuant to a rights issue available to all ordinary shareholders and requiring an adjustment under By-laws 13.2(iii)(b), 13.2(iii)(c), 13.2(iv), 13.2(v) or 13.2(vi), the Company shall issue either new 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 per centum (90%) of the average of the last dealt prices on Market Days comprised in the period used as a basis upon which the issue price of such Shares is determined (hereinafter referred to as the “**Average Price**”) 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 Subscription Price shall be adjusted by multiplying it by the following fraction:

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

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 Shares which the Total Effective Consideration (as defined below) would have been purchased at the Average Price (exclusive of expenses); and
- N = the aggregate number of new Shares 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.

For the purposes of this By-law 13.2(vii), the “**Total Effective Consideration**” shall be as determined by the Board with the concurrence of an Adviser and shall be:

- (1) in the case of the issue of Shares, the aggregate consideration receivable by the Company on payment in full for such Shares; or
- (2) 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
- (3) in the case of the issue by the Company of securities with rights to acquire or subscribe 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 commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the “**Total Effective Consideration per Share**” shall be the Total Effective Consideration divided by the number of new Shares issued as aforesaid or, in the case of securities convertible into new Shares or securities with rights to acquire or subscribe for new Shares, by the maximum number of new Shares issuable on full conversion of such securities or on exercise in full of such rights.

Each such adjustment will be calculated (if appropriate, retroactively) from the close of business on the Market Day immediately preceding the date on which the issue is announced, or failing any such announcement, on the next Market Day following the date on which the Company determines the offering price of such Shares, securities or rights.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day following the completion of the above transaction.

- (viii) For the purposes of By-laws 13.2(iii), 13.2(iv), 13.2(v) and 13.2(vi) above, the “**Current Market Price**” in relation to each Share for any relevant day shall be the average of the last dealt prices for each Share on the Bursa Securities for the five (5) consecutive Market Days before such date for one (1) or more board lots of Shares on Bursa Securities.

13.3 No adjustment to the Subscription Price and/or the number of Shares comprise in the Options or any portion thereof that is unexercised when the alteration in the capital structure of the Company arises from:

- (i) an issue by the Company of Shares or of securities convertible into Shares or securities with rights to acquire or subscribe for Shares to its officers, including Directors, or employees of the Company or any of its subsidiaries pursuant to purchase or option schemes approved by the ordinary shareholders in general meeting; or
- (ii) an issue by the Company of Shares or of securities convertible into Shares or securities with rights to acquire or subscribe for Shares, in any such case in consideration or part consideration for any other securities, assets or business; or
- (iii) an issue by the Company of Shares or of securities convertible into Shares or securities with rights to acquire or subscribe for new Shares pursuant to a special issue to Bumiputra investors approved and required by the relevant authorities; or
- (iv) an issue by the Company of Shares or of securities convertible into Shares or securities with rights to acquire or subscribe for Shares pursuant to a private placement or restricted issue; or
- (v) an issue by the Company of any further Offers or Shares pursuant to the 2022 Scheme and the allotment and issuance of Shares for the purpose of satisfying Options; or
- (vi) implementation of a share buy-back arrangement by the Company and cancellation of all or a portion of the shares purchased pursuant to Section 127 of the Act;

- 13.4 Any adjustment to the Subscription Price will be rounded down to the nearest one (1) Sen. No adjustment in the Subscription Price shall be made unless it has been certified as aforesaid by an Adviser, who shall act as an expert and not as an arbitrator, to be in his/her opinion fair and reasonable, and such confirmation shall be final and binding on all parties. No adjustment will be made to the Subscription Price in any case in which the amount by which the same would be reduced would be less than one (1) Sen. Notice of any adjustment will be given to the Grantee within twenty-one (21) Calendar Days from the date of adjustment or such other period of time as may be determined by the Board after certification by the Options Committee and an Adviser of the adjustment in the Subscription Price.
- 13.5 Upon any adjustment resulting in additional Options to be issued, the number of additional Options to be issued to each Grantee will be rounded downwards to the nearest whole Option. However, no additional issue of Options will be made unless the approval, if necessary, has been granted by the relevant authorities and the Bursa Securities for the listing of and quotation for such additional new Shares as may be issued on the exercise of any such additional Options.
- 13.6 Notwithstanding the provision referred to in this By-law 13, in any circumstances where the Board considers that any adjustment to the Subscription Price and/or the number of Shares comprised in the Option or any portion thereof that is unexercised under the said provision should be adjusted or calculated on a different basis or date or should take effect on a different date or that an adjustment to the Subscription Price and/or the number of Shares comprised in the Option or any portion thereof should be made notwithstanding that no such adjustment is required under the said provisions, the Company may but it is not obliged to appoint an Adviser to consider for any reason whatsoever the adjustment to be made (or the absence of any adjustment) or the adjustment to be made in accordance with the provisions of this By-law 13 is appropriate or inappropriate, as the case may be and if such Adviser shall consider the adjustment to be inappropriate, that adjustment shall be modified or nullified (or an adjustment made even though not required to be made) in such manner as shall be considered by such Adviser to be in its opinion appropriate.
- 13.7 The decision of the Board as to whether any adjustment shall be made or not made to the Subscription Price and and/or the number of Shares comprised in the Option or any portion thereof pursuant to this By-law 13 shall be binding, final and conclusive.

14. LISTING AND QUOTATION OF MCB SHARES

- 14.1 The new MCB Shares to be allotted pursuant to the 2022 Scheme will not be listed or quoted on the Main Market of Bursa Securities until an application is made to Bursa Securities to obtain approval for such listing and quotation.

15. ADMINISTRATION

- 15.1 The 2022 Scheme shall be implemented and administered by the Options Committee consisting of such persons appointed by the Board from time to time.
- 15.2 Subject to these By-laws, the Options Committee shall so administer the 2022 Scheme in such manner as it shall in its sole and absolute discretion deem fit and with such powers and duties as are conferred upon it by the Board.
- 15.3 For the purpose of administering the 2022 Scheme, the Options Committee may do all such acts and things and enter into any transactions, agreements, deeds, documents or arrangements, and make rules, regulations or impose terms and conditions or delegate part of its power relating to the 2022 Scheme, as the Options Committee may in its sole and absolute discretion deem fit, necessary and/or expedient. The Board shall have the power from time to time to rescind the appointment of any person to the Options Committee as it deems fit.

- 15.4 The Board shall have power at any time and from time to time to:
- (i) approve, rescind and/or revoke the appointment of any member of the Options Committee and appoint replacement members to the Options Committee; and
 - (ii) assume and/or exercise or execute any of the powers and authorities conferred upon the Options Committee pursuant to these By-laws.

16. AMENDMENT AND/OR MODIFICATION TO THE 2022 SCHEME

16.1 Subject to By-law 16.2 and in compliance with Bursa Securities LR and approvals of any other relevant authorities, where necessary, the Board shall have the power at any time and from time to time by resolution to amend, add, modify and/or delete, at the recommendation of the Options Committee, all or any of the provisions of the 2022 Scheme provided that:

- (i) no such amendment, addition, modification and/or deletion shall be made which would provide an advantage to any Eligible Person or group of Eligible Persons or all the Eligible Persons in respect of any matters which are required to be contained in the By-laws by virtue of the Bursa Securities LR; or
- (ii) no such amendment, addition, modification and/or deletion shall be made which would increase the number of Shares available for issuance under the 2022 Scheme beyond the Maximum Scheme Shares,

without the prior approval of the Company's shareholders in a general meeting.

16.2 Where any addition, amendment, modifications and/or deletion is made to these By-laws, the Company shall within five (5) Market Days from the effective date of said amendment and/or modification, cause to be submitted to Bursa Securities the amended and/or modified By-laws and a confirmation letter that such amendment and/or modification complies and does not contravene any of the provisions of the Listing Requirements.

17. DURATION AND TERMINATION OF THE 2022 SCHEME

17.1 The Scheme shall be in force for a period of ten (10) years commencing from the Effective Date ("**Scheme Period**"). The Effective Date on which the 2022 Scheme takes full force and effect shall be such date after all of the following conditions have been fulfilled or satisfied:

- (i) submission of the final copy of the By-laws to Bursa Securities together with a letter of compliance pursuant to paragraph 2.12 of the Bursa Securities LR and a checklist showing compliance with Appendix 6E of the Bursa Securities LR;
- (ii) receipt of approval or approval-in-principle, as the case may be, from Bursa Securities for the listing and quotation of the new Shares to be issued pursuant to the 2022 Scheme;
- (iii) procurement of the approval of the shareholders of MCB in a general meeting for the 2022 Scheme;
- (iv) receipt of approval of any other relevant authorities (where applicable); and
- (v) fulfilment or waiver, as the case may be, of all conditions attached to the above approvals (if any).

- 17.2 The Company shall, through the Adviser submit a confirmation letter to Bursa Securities of full compliance with the approvals and/or conditions set out in By-law 17.1 stating the Effective Date of the 2022 Scheme together with a certified true copy of a resolution passed by the shareholders of the Company in the general meeting approving the 2022 Scheme. The confirmation letter shall be submitted to Bursa Securities no later than five (5) Market Days after the Effective Date.
- 17.3 Notwithstanding anything set out in these By-laws and subject always to compliance with Bursa Securities and any other applicable law, the 2022 Scheme may be terminated by the Board at its sole and absolute discretion upon recommendation by the Options Committee at any time during the Scheme Period by written notice to the affected Grantees, without obtaining the approvals from the Grantees whereupon no further Options shall be vested, no further Offer shall be made by the Options Committee and any unaccepted Offer and unexercised Options shall be deemed to have been terminated and cancelled and be null and void on the date specified in the notice ("**Termination Date**") provided that the Options Committee may in its discretion, permit the vesting of any Options to the Grantees, the acceptance of any outstanding Offer by the Eligible Person, and/or the exercise of any unexercised Options by the Grantee at any time prior to the Termination Date subject to such terms and conditions as may be prescribed notwithstanding that:
- (a) the Vesting Date is not due or has not occurred;
 - (b) the Option Period has not commenced; and/or
 - (c) other terms and conditions set out in the Offer has not been fulfilled/satisfied.
- 17.4 In the event that the 2022 Scheme is terminated pursuant to By-law 17.3, the Company shall make an announcement immediately to Bursa Securities and comply with the requirements of Bursa Securities or any other relevant authorities. The announcement shall include:
- (a) the effective date of termination;
 - (b) the number of Options exercised; and
 - (c) the reasons for termination.

18. NON-TRANSFERABILITY

- 18.1 The rights of a Grantee under and in relation to an Option shall be personal to him and cannot be assigned, transferred, disposed of, or otherwise subjected to encumbrances in any manner whatsoever unless By-laws 9 and/or 12 applies. Any such attempt to assign, transfer, dispose or encumber any Options shall result in the automatic cancellation of such Options.

19. DISPUTES

- 19.1 In the event of a dispute between the Options Committee and an Eligible Person or Grantee, as to any matter or thing of any nature arising hereunder, the Board shall determine such dispute or difference by a written decision (without the obligation to give any reason therefor) given to the Eligible Person or Grantee, as the case may be. The said decision shall be final and binding on the parties in all respects.

20. COMPENSATION

- 20.1 An Eligible Person who ceases to hold office or employment (including cessation of office or employment pursuant to a contract of service with the Group) shall not be entitled to any compensation for the loss of any right or benefit or prospective right or benefit under the 2022 Scheme which he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office.
- 20.2 No Eligible Person or Grantee or legal personal representatives shall bring any claim, action or proceeding against the Company, the Board or the Options Committee or any other party for compensation, loss or damages whatsoever and howsoever arising from the suspension of his rights to exercise his Option or his Option ceasing to be valid pursuant to the provisions of the By-laws herein, as may be amended from time to time in accordance with By-law 16 hereof.

21. COSTS AND EXPENSES

- 21.1 All cost and expenses incurred in relation to the 2022 Scheme including but not limited to administrative and handling charges, fees, costs and expenses relating to the allotment and issue of new MCB Shares pursuant to the exercise of any Option shall be borne by the Company.
- 21.2 All other costs, fees, levies, charges and/or taxes, including, without limitation, income taxes relating to the grant of Options and/or exercise of any Options and any holding or dealing of such Shares (such as, but not limited to brokerage commissions and stamp duty) shall be borne by that Grantee and the Company shall not be liable for any of such costs, fees, levies, charges and/or taxes.

22. DISCLAIMER OF LIABILITY

- 22.1 Notwithstanding any provisions contained herein and subject to the Act, the Options Committee, the Company and the Board shall not under any circumstances be held liable for any cost, losses, expenses, damages or liability whatsoever and howsoever arising, incurred and/or suffered in any event, including but not limited to (i) the Company or the Options Committee's delay in allotting and issuing the Shares or in applying for or procuring the listing of the Shares on Bursa Securities; and/or (ii) any other matters or dealing outside the control of the Company.
- 22.2 The Grantee shall at all times indemnify and keep the Company indemnified against all losses, damages, claims, proceedings, demands, actions, penalties and expenses whatsoever that may be made or brought against and/or suffered by the Company at any time as a result of and/or in connection with or arising from any failure on the part of the Grantee to perform and/or observe the terms and conditions and stipulations of the By-laws as from and including the Effective Date or for any act or default under or for any breach of any provision of the By-laws by the Grantee or that may be incurred suffered or sustained by the Company as a result thereof and the Grantee shall promptly upon a demand being made by the Company pay to the Company all amounts so paid incurred suffered or sustained by the Company.

23. NOT A TERM OF EMPLOYMENT

- 23.1 This 2022 Scheme does not form part nor shall it in any way be construed as part of the terms and conditions of employment or contract of service of any Eligible Person. This 2022 Scheme shall not confer or be construed to confer on any Eligible Person any special rights or privileges over the Eligible Persons' terms and conditions of employment or contract of service in the Group nor any rights in addition to compensation or damages that the Eligible Person may be normally entitled to arising from the cessation of such employment or contract of service.

24. ARTICLES

- 24.1 Notwithstanding the terms and conditions contained in this 2022 Scheme, if a situation of conflict should arise between any provision of these By-laws and the Constitution and/or the Bursa Securities LR, the provisions of the Constitution and/or the Bursa Securities LR shall prevail to the extent of such conflict.

25. ERRORS AND OMISSIONS

- 25.1 If, in consequence of an error or omission, the Options Committee discovers or determines that:
- (a) an Eligible Person who was selected by the Options Committee as a Grantee, has not been given the opportunity to participate in the 2022 Scheme on any occasion;
 - (b) the number of Shares comprised in an Option on any occasion is found to be incorrect; or
 - (c) the number of Shares allotted and issued to any Grantee (including those allotted and issued pursuant to the vesting of the Shares pursuant to the exercise of Options) on any occasion is found to be incorrect;

and such error or omission cannot be corrected within the relevant period specified in the 2022 Scheme, the Options Committee may do all such acts and things to rectify such error or omission and ensure that the Grantee is given the opportunity to participate in the 2022 Scheme and/or the aggregate number of Shares to which the Grantee is correctly entitled to is credited into his CDS Account.

26. NOTICES

- 26.1 Any notice or request under the 2022 Scheme required to be given to or served upon the Options Committee by an Eligible Person or Grantee or any correspondence to be made between an Eligible Person or Grantee to the Options Committee shall be given or made in writing and sent to the registered office of the Company or such other office which the Options Committee may have stipulated for a particular purpose of delivery by hand (with acknowledgement of receipt) or registered letter.
- 26.2 Unless otherwise provided in these By-laws, any notice which under the 2022 Scheme is required to be given to or served upon an Eligible Person or Grantee or correspondence to be made with an Eligible Person or Grantee shall be deemed to be sufficiently given, served or made:

- (a) if it is sent by ordinary post 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; or
- (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;
- (c) if it is transmitted by facsimile, such notice or request shall be deemed to have been received, upon the printing of the transmission log print-out indicating the date, time and transmission of all the pages; or
- (d) if it is sent by electronic media, including but not limited to electronic mail, or via a general or specific notice placed on any human resource electronic management system to the Eligible Person or the Grantee, such notice or request shall be deemed to have been received upon the said notice or request being sent by the Company.

26.3 Notwithstanding By-law 26.2, where any notice is required to be given by the Company or the Options Committee under these By-laws in relation to matters which may affect all the Eligible Persons or Grantees, as the case may be, the Company or Options Committee may give notice through an announcement to all employees of the Group to be made in such manner deemed appropriate by the Options Committee. Upon the making of such an announcement, the notice to be made under By-law 26.2 shall be deemed to be sufficiently given, served or made to all affected Eligible Persons or Grantees.

27. SEVERABILITY

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

28. DELAY OF PERFORMANCE

28.1 The performance of any obligations provided herein may be delayed, prohibited or become impossible by reason of events beyond the control of the Company or the Options Committee.

29. DECISION OF THE OPTIONS COMMITTEE

29.1 Any decision and/or determination made by the Options Committee under these By-laws shall, in the absence of any manifest of error, be final and binding.

30. GOVERNING LAW

30.1 The 2022 Scheme shall be governed by and construed in accordance with the laws of Malaysia. The Grantee, by accepting the Offer irrevocably submits to the exclusive jurisdiction of the courts in Malaysia.

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

- 30.3 In order to facilitate the making of any Offer under the 2022 Scheme, the Board may provide for such special terms to the Eligible Person(s) who are employed by any corporation in the Group in a particular jurisdiction, or who are nationals of any particular jurisdiction, that is outside Malaysia, as the Board may consider necessary or appropriate for the purposes of complying with differences in local law, tax, policy or custom of that jurisdiction. The Board may further approve such supplements to or amendments, restatements or alternative versions of the 2022 Scheme as it may consider necessary or appropriate for such purposes without affecting the terms of the 2022 Scheme as in effect for any other purpose, and the appropriate officer of the Company may certify any such document as having been approved and adopted in the same manner as the 2022 Scheme. No such special terms, supplements, amendments or restatements, however, shall include any provisions that are inconsistent with the terms of the 2022 Scheme, as then in effect, unless the 2022 Scheme has been amended to eliminate such inconsistency. Notwithstanding the above, any Offer made to such Eligible Person(s) pursuant to the 2022 Scheme shall be valid strictly in Malaysia only unless specifically mentioned otherwise by the Options Committee in the Offer.
- 30.4 No action has been or will be taken by the Company to make an Offer valid in any country or jurisdiction other than Malaysia or to ensure compliance of the Offer with all applicable laws and regulations in any other country or jurisdiction other than Malaysia. No action has or will be taken by the Company to ensure compliance by the Eligible Person to whom an Offer is made, with all applicable laws and regulations in such other country or jurisdiction in which the Eligible Person accepts the Offer.
- 30.5 Any Eligible Person to whom an Offer is made is required to ensure that they comply with all applicable laws and regulations in each country or jurisdiction in or from which they accept the Offer. By their acceptance of the Offer, each Grantee has represented, warranted and agreed that they have and will continue to observe all applicable laws and regulations in the jurisdiction in which they accept the Offer.

ADDITIONAL INFORMATION**1. RESPONSIBILITY STATEMENT**

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

2. DECLARATION OF CONFLICT OF INTEREST AND CONSENT

CIMB, 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 to it, in the form and context in which they appear in this Circular.

CIMB, its related and associated companies, as well as its holding company, CIMB Group Holdings Berhad and the subsidiaries and associated companies of its holding company ("**CIMB Group**"), form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and funds management and credit transaction services businesses. CIMB Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or our affiliates, in addition to CIMB's role as Principal Adviser for the Proposed ESOS.

In addition, in the ordinary course of business, any member of the CIMB Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with our Group or our shareholders or their affiliates or any other entity or person, hold long or short positions in securities issued by our Company or any of our affiliates, make investment recommendations and/or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of our Company and/or our affiliates. This is a result of the businesses of the CIMB Group generally acting independent of each other, and accordingly there may be situations where parts of the CIMB Group and/or its customers now have or in the future, may have interest in or take actions that may conflict with the interests of our Company and/or our affiliates.

CIMB is of the view that there is no conflict of interest in respect of its capacity as Principal Adviser to MCB for the Proposed ESOS due to the following:

- (i) CIMB is a licensed investment bank and its appointment as the Principal Adviser to MCB for the ESOS is in the ordinary course of its business and CIMB does not receive or derive any financial interest or benefits save for the professional fees received in relation to its appointment as the Principal Adviser to MCB for the Proposed ESOS;
- (ii) the Corporate Finance division of CIMB is required under its investment banking license to comply with strict policies and guidelines issued by the Securities Commission Malaysia, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, amongst others, the establishment of Chinese Wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations; and
- (iii) the conduct of CIMB Group in its banking business is strictly regulated by the Financial Services Act 2013, the Capital Markets and Services Act 2007 and CIMB Group's internal controls which includes, segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees.

Accordingly, CIMB has confirmed that there is no conflict of interest which exists or is likely to exist in its role as the Principal Adviser for the Proposed ESOS.

3. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

Save as disclosed below, as at the LPD, neither we nor our Subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board has no knowledge of any proceedings pending or threatened against our Company or Subsidiaries or of any material facts likely to give rise to any proceedings which may materially and adversely affect the position or the business of our Company or Subsidiaries:

SIAC Arbitration No. 128 of 2018

On 25 May 2018, ZAG International Pte Ltd (“**ZAG International**”) filed a Notice of Arbitration with the Singapore International Arbitration Centre (“**SIAC**”) commencing arbitration proceedings against Slag Cement Sdn Bhd and Slag Cement (Southern) Sdn Bhd, both wholly-owned subsidiaries of MCB (collectively “**said Companies**”), alleging that the said Companies are in breach of contract for not continuing to purchase raw materials. ZAG International seeks the sum of USD6.121 million being its alleged losses. The said Companies filed a response to the said Notice of Arbitration with the SIAC on 8 June 2018, denying all allegations and claims. To-date, the arbitral tribunal has not been constituted. On the basis of instructions received, the counsel for the said Companies considers that the said Companies have a good defence to the claims made by ZAG International.

4. CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS

4.1 Contingent liabilities

As at the LPD, our directors are not aware of any contingent liabilities incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on our Group’s financial position.

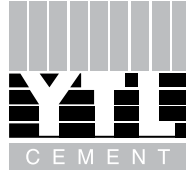
4.2 Material commitments

As at the LPD, our directors are not aware of any material capital commitment contracted or known to be contracted by our Group which, upon becoming enforceable, may have a material impact on our Group’s financial position.

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at our Registered Office at 33rd Floor, Menara YTL, 205 Jalan Bukit Bintang, 55100 Kuala Lumpur during normal business hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of our EGM:

- (i) our Constitution;
- (ii) our audited consolidated financial statements for the past 2 financial years ended 30 June 2020 and 30 June 2021 and our latest unaudited consolidated financial results for the financial period ended 31 December 2021;
- (iii) the letter of consent referred to in Section 2 of this Appendix II;
- (iv) the relevant cause papers in respect of the material litigation referred to in Section 3 of this Appendix II; and
- (v) the draft By-laws as set out in Appendix I of this Circular.



MALAYAN CEMENT BERHAD

[Company No. 195001000048 (1877-T)]
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of Malayan Cement Berhad (“**MCB**” or “**Company**”) will be held and conducted as a **fully virtual** meeting through live streaming, online remote participation and voting via the online meeting platform hosted on the TIIH Online System (“**TIIH Online**”) at <https://tiih.com.my> (“**Meeting Platform**”) on Friday, 18 March 2022 at 3.00 p.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF AN EMPLOYEES SHARE OPTION SCHEME (“ESOS” OR “2022 SCHEME”) FOR THE ELIGIBLE EMPLOYEES AND DIRECTORS OF MCB AND/OR ITS ELIGIBLE SUBSIDIARIES (“PROPOSED ESOS”)

“**THAT**, subject to all relevant approvals being obtained, including but not limited to, the approval of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and/or parties (where required) being obtained, approval be and is hereby given to the Company to:

- (i) establish, implement and administer an ESOS for the benefit of the eligible employees and directors of MCB and/or its eligible subsidiaries (excluding subsidiaries which are dormant) who meet the criteria of eligibility for participation in the Proposed ESOS (“**Eligible Persons**”), under which options will be granted to such Eligible Persons to subscribe for new ordinary shares in the share capital of the Company (“**Options**”) in accordance with the By-laws of the 2022 Scheme set out in Appendix I of the Circular to Shareholders for the Proposed ESOS dated 2 March 2022 (“**By-laws**”), for a period of 10 years from the date the 2022 Scheme comes into force;
- (ii) allot and issue from time to time such appropriate number of new ordinary shares in MCB (“**Shares**”), to or to the order of the Eligible Persons which are required to be issued upon the exercise of their Options under the Proposed ESOS, provided that the total number of new Shares to be allotted and issued shall, when aggregated with the number of new Shares that may be allotted and issued under any other share issuance scheme involving new issuance of Shares which may be implemented from time to time by the Company, shall not exceed 15% of the total number of issued shares (excluding treasury shares, if any) of the Company or such other percentage of the total number of issued shares (excluding treasury shares, if any) of the Company that may be permitted by Bursa Securities or other relevant authorities, from time to time throughout the duration of the 2022 Scheme and that such new Shares shall, upon allotment and issuance, rank pari passu in all respects with the then existing issued Shares and will be subject to all the provisions of the Constitution of the Company including but not limited to rights relating to voting, transfer and otherwise, provided that in the event there is any right to participate in any rights, allotments or other distributions, the new Shares shall rank pari passu with the then existing Shares in respect of their right to participate in such rights, allotments or other distributions if the relevant exercise date occurs not less than 7 market days before the date as at the close of business on which shareholders of MCB must be entered in the Record of Depositors maintained with Bursa Malaysia Depository Sdn Bhd in order to be entitled to any dividends, rights, allotments or other distributions; and

- (iii) modify and/or amend the 2022 Scheme from time to time as may be required/permitted by the authorities or deemed necessary by the authorities or the Board of directors of MCB (“**Board**”) provided that such modifications and/or amendments are effected and permitted in accordance with the provisions of the By-laws relating to modifications and/or amendments;
- (iv) make such applications as may be necessary at the appropriate time or times to Bursa Securities for the listing and quotation of the new Shares which may thereafter from time to time be issued and allotted pursuant to the exercise of the Options to be granted under the Proposed ESOS;
- (v) do all such acts and to enter into all such transactions, arrangements and agreements, deeds or undertakings and to make such rules or regulations, or impose such terms and conditions or delegate part of its power as may be necessary or expedient in order to give full effect to the Proposed ESOS and the terms of the By-laws;

AND THAT the directors of the Company be and are hereby authorised to give effect to the above with full powers to amend and/or assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant government/regulatory authorities and to take all steps and enter into and execute all commitments, transactions, arrangements, deeds, agreements, undertakings, indemnities, transfers, assignments and guarantees as they may deem fit, necessary, expedient and/or appropriate in order to implement, finalise and give full effect in connection with the above;

AND THAT the proposed By-laws, as set out in Appendix I of the Circular to Shareholders for the Proposed ESOS dated 2 March 2022, which is in compliance with the Main Market Listing Requirements of Bursa Securities, be and is hereby approved.”

ORDINARY RESOLUTIONS 2 TO 11

PROPOSED ISSUE OF OPTIONS

“**THAT**, subject to the passing of the Ordinary Resolution 1 above and for so long as such approval remains in force and the approvals of all the relevant authorities, the Board and/or the committee of the Proposed ESOS (“**Options Committee**”) be and is hereby authorised at any time and from time to time throughout the duration of the 2022 Scheme to cause the offering and granting to the following persons, Options to subscribe for new Shares under the 2022 Scheme:

(i) Directors of the Company

Ordinary resolution	Name	Designation
2	Y. Bhg. Tan Sri (Sir) Francis Yeoh Sock Ping	Executive Chairman
3	Y. Bhg. Dato’ Sri Michael Yeoh Sock Siong	Managing Director
4	Y. Bhg. Tan Sri Datuk Asmat Bin Kamaludin	Independent Non-Executive Director
5	Y. Bhg. Dato’ Tan Guan Cheong	Independent Non-Executive Director
6	Y. Bhg. Dato’ Yoogalingam A/L Vyrarnuttu	Independent Non-Executive Director
7	Y. Bhg. Dato’ Yeoh Seok Kian	Executive Director
8	Y. Bhg. Dato’ Yeoh Seok Hong	Executive Director
9	Y. Bhg. Dato’ Yeoh Soo Keng	Executive Director
10	Yeoh Khoon Cheng	Non-Independent Non-Executive Director

(ii) **Person connected to the directors who is an employee of the group**

Ordinary resolution	Name
11	Yeoh Keong Junn

PROVIDED ALWAYS THAT:

- (i) the directors and senior management of the Company and/or its eligible subsidiaries do not participate in the deliberation or discussion of their own respective allocation and the allocation to any persons connected to them;
- (ii) not more than 70% of the new Shares available under the 2022 Scheme shall be allocated, in aggregate, to directors and senior management of the Company and/or its eligible subsidiaries; and
- (iii) not more than 10% of the new Shares available under the 2022 Scheme shall be allocated to any individual Eligible Person who, either singly or collectively through persons connected with the Eligible Person, holds 20% or more in the issued share capital (excluding treasury shares, if any) of the Company.

subject always to such terms and conditions and/or any adjustments which may be made in accordance with the By-laws governing and constituting the 2022 Scheme and the Main Market Listing Requirements of Bursa Securities or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time.

AND THAT the Board be and is hereby authorised to allot and issue from time to time throughout the duration of the 2022 Scheme, such number of new Shares to the abovementioned persons upon the exercise of the Options under the Proposed ESOS.”

BY ORDER OF THE BOARD

Ho Say Keng
Company Secretary

Kuala Lumpur
2 March 2022

Notes:

REMOTE PARTICIPATION AND VOTING

1. *The EGM will be conducted on a fully virtual basis **without a physical meeting venue** through live streaming, online remote participation and voting via the Remote Participation and Voting (“RPV”) facilities provided by the Company’s share registrar and poll administrator for the EGM, Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”) on its TIIH Online at <https://tjih.com.my>. Please follow the procedures set out in the Administrative Guide for the EGM which is available on the Company’s website at <https://ytlcement.my/meetings/> to register, participate, speak (in the form of real time submission of typed texts) and vote remotely via the RPV facilities.*

MEETING PLATFORM

2. *The Meeting Platform, which is the deemed main venue of the EGM, is registered with MYNIC Berhad under Domain Registration Number: D1A282781. This fulfils Section 327(2) of the Companies Act, 2016 which requires the main venue of the meeting to be in Malaysia and the chairperson to be present at that main venue as clarified in the FAQs on Virtual General Meetings issued by the Companies Commission of Malaysia dated 8 June 2021.*

PROXY

3. A member (including an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991 (“**SICDA**”)) entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the EGM via the RPV facilities.
4. Where a member is an Exempt Authorised Nominee as defined under the SICDA, 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.
5. A proxy may but need not be a member of the Company. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
6. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised in writing.
7. The appointment of proxy may be made in hardcopy form or by electronic means as specified below and must be received by Tricor not less than 48 hours before the time appointed for holding the EGM i.e. no later than **16 March 2022 at 3.00 p.m.**:
 - (i) In hardcopy form

The original Form of Proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified or office copy of that power or authority shall be deposited at the office of Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia,

or alternatively,

at its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.
 - (ii) Electronically via TIIH Online

The Form of Proxy can be electronically lodged with Tricor via TIIH Online at <https://tiih.com.my>. Please follow the procedures set out in the Administrative Guide for the EGM.
8. For the purpose of determining a member who shall be entitled to attend the EGM via the RPV facilities, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Article 59 of the Company’s Constitution and Section 34(1) of the SICDA to issue a General Meeting Record of Depositors as at 11 March 2022. Only a depositor whose name appears on the General Meeting Record of Depositors as at 11 March 2022 shall be entitled to attend the said meeting or appoint proxy(ies) to attend and/or vote in his stead.

APPOINTMENT OF REPRESENTATIVES BY CORPORATE MEMBERS

9. For a corporate member who has appointed an authorised representative to participate and vote remotely via the RPV facilities, please deposit the original certificate of appointment of corporate representative with Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia,

or alternatively,

at its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia,

before the time appointed for holding the EGM or adjourned meeting.

FORM OF PROXY



MALAYAN CEMENT BERHAD
[Company No. 195001000048 (1877-T)]
(Incorporated in Malaysia)

CDS Account No. _____
(only for nominee companies)

Number of shares held _____

I/We *(full name in block letters)* _____

Tel. No. _____

NRIC *(New & old)*/Passport/Company No. _____

of *(full address)* _____

being a member of **Malayan Cement Berhad** hereby appoint

Full name of proxy in block letters	NRIC <i>(new & old)</i> /Passport No. of proxy	Proportion of shareholdings to be represented	
		No. of shares	%

* and/or *(delete as appropriate)*

Full name of proxy in block letters	NRIC <i>(new & old)</i> /Passport No. of proxy	Proportion of shareholdings to be represented	
		No. of shares	%

or failing him/her, the Chairman of the Meeting as my/our proxy(ies) to vote for me/us on my/our behalf at the Extraordinary General Meeting (“EGM”) of the Company which will be conducted as a **fully virtual** meeting through live streaming, online remote participation and voting via the online meeting platform hosted on the TIIH Online System (“**TIIH Online**”) at <https://tjih.com.my> (“**Meeting Platform**”) on **Friday, 18 March 2022 at 3.00 p.m.** or at any adjournment thereof.

My/Our proxy/proxies is/are to vote as indicated below:

ORDINARY RESOLUTIONS:	FOR	AGAINST
1 - PROPOSED ESOS		
2 - PROPOSED ISSUE OF OPTIONS TO Y. BHG. TAN SRI (SIR) FRANCIS YEOH SOCK PING		
3 - PROPOSED ISSUE OF OPTIONS TO Y. BHG. DATO' SRI MICHAEL YEOH SOCK SIONG		
4 - PROPOSED ISSUE OF OPTIONS TO Y. BHG. TAN SRI DATUK ASMAT BIN KAMALUDIN		
5 - PROPOSED ISSUE OF OPTIONS TO Y. BHG. DATO' TAN GUAN CHEONG		
6 - PROPOSED ISSUE OF OPTIONS TO Y. BHG. DATO' YOOGALINGAM A/L VYRAMUTTU		
7 - PROPOSED ISSUE OF OPTIONS TO Y. BHG. DATO' YEOH SEOK KIAN		
8 - PROPOSED ISSUE OF OPTIONS TO Y. BHG. DATO' YEOH SEOK HONG		
9 - PROPOSED ISSUE OF OPTIONS TO Y. BHG. DATO' YEOH SOO KENG		
10 - PROPOSED ISSUE OF OPTIONS TO YEOH KHOON CHENG		
11 - PROPOSED ISSUE OF OPTIONS TO YEOH KEONG JUNN		

Please indicate with an “X” in the space provided whether you wish your votes to be cast “for” or “against” the resolution. In the absence of specific direction, your proxy will vote or abstain as he/she thinks fit.

Dated this _____ day of _____ 2022

Signature(s)/Common Seal of Member

IMPORTANT NOTICE

The Meeting Platform, which is the deemed main venue of the EGM, is registered with MYNIC Berhad under Domain Registration Number: D1A282781. This fulfils Section 327(2) of the Companies Act, 2016 which requires the main venue of the meeting to be in Malaysia and the chairperson to be present at that main venue as clarified in the FAQs on Virtual General Meetings issued by the Companies Commission of Malaysia dated 8 June 2021. Members are to participate, speak (in the form of real time submission of typed texts) and vote remotely via the Remote Participation and Voting (“RPV”) facilities provided by Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”) on its TIIH Online at the Meeting Platform.



Notes:

1. A member (including an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA")) entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the EGM via the RPV facilities.
2. Where a member is an Exempt Authorised Nominee as defined under the SICDA, 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.
3. A proxy may but need not be a member of the Company. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
4. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised in writing.
5. The appointment of proxy may be made in hardcopy form or by electronic means as specified below and must be received by Tricor not less than 48 hours before the time appointed for holding the EGM i.e. no later than **16 March 2022 at 3.00 p.m.**:

(i) In hardcopy form

The original Form of Proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified or office copy of that power or authority shall be deposited at the office of Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia, or alternatively, at its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

(ii) Electronically via TIH Online

The Form of Proxy can be electronically lodged with Tricor via TIH Online at <https://tiah.com.my>. Please follow the procedures set out in the Administrative Guide for the EGM.

6. Only members whose names appear on the General Meeting Record of Depositors as at 11 March 2022 shall be entitled to attend the EGM via the RPV facilities or appoint proxy(ies) to attend and/or vote in his stead.
7. For a corporate member who has appointed an authorised representative to participate and vote remotely via the RPV facilities, please deposit the original certificate of appointment of corporate representative with Tricor at either of the addresses stated in note 5(i) above, before the time appointed for holding the EGM or adjourned meeting.

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AFFIX
STAMP

Tricor Investor & Issuing House Services Sdn Bhd
Share Registrar for the Extraordinary General Meeting of
Malayan Cement Berhad
Unit 32-01, Level 32, Tower A, Vertical Business Suite
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur

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Fold This Flap For Sealing