

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, solicitor, accountant, bank manager or other professional adviser immediately.

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MY E.G. SERVICES BERHAD
[Registration No. 200001003034 (505639-K)]
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

- I. PROPOSED ESTABLISHMENT OF A DIVIDEND REINVESTMENT PLAN THAT PROVIDES THE SHAREHOLDERS OF MY E.G. SERVICES BERHAD ("MYEG") WITH AN OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND IN NEW ORDINARY SHARES IN MYEG;**
- II. PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME ("ESOS") OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF MYEG (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT IN TIME OVER THE DURATION OF THE ESOS; AND**
- III. PROPOSED DIVERSIFICATION OF THE EXISTING BUSINESS OF MYEG AND ITS SUBSIDIARIES TO INCLUDE THE PROVISION OF FINANCIAL SERVICES**

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser

UOBKayHian

UOB Kay Hian Securities (M) Sdn Bhd
[Registration No. 199001003423 (194990-K)]
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting ("**EGM**") of MYEG will be held as a virtual meeting through live streaming and online remote voting using Remote Participation and Voting facilities via Vote2U at <https://web.vote2u.app> from the broadcast venue at Level 43A, MYEG Tower, Empire City, No. 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor Darul Ehsan, Malaysia ("**Broadcast Venue**"), on Thursday, 6 August 2020 at 11.00 a.m. or immediately following the conclusion or adjournment of the Nineteenth Annual General Meeting of MYEG scheduled to be conducted virtually from the Broadcast Venue on the same day at 10.00 a.m., whichever is later. The Notice of EGM and the Proxy Form are enclosed together with this Circular.

A member of MYEG entitled to attend, participate and vote remotely at the EGM is entitled to appoint a proxy or proxies to attend, participate and vote remotely on his/ her behalf. In such event, the completed and signed Proxy Form should be lodged at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time for holding the EGM or any adjournment thereof. Alternatively, individual shareholder(s) may submit the Proxy Form electronically via Vote2U at <https://web.vote2u.app>, not less than forty-eight (48) hours before the time for holding the EGM or any adjournment thereof. The lodging of the Proxy Form shall not preclude you from attending, participating and voting remotely in person at the EGM should you subsequently wish to do so, but if you do, your proxy or proxies shall be precluded from attending the EGM.

Last date and time for lodging the Proxy Form
Date and time of the EGM

: Tuesday, 4 August 2020 at 11.00 a.m.
: Thursday, 6 August 2020 at 11.00 a.m.

This Circular is dated 10 July 2020

DEFINITIONS

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

Act	:	The Companies Act 2016, as amended from time to time and all regulations made thereunder and any re-enactment thereof
AGM	:	The annual general meeting of MYEG
AIH	:	Asia Internet Holdings Sdn Bhd [Registration No. 199801007297 (463424-W)]
Board	:	The Board of Directors of MYEG
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd [Registration No. 198701006854 (165570-W)]
Bursa Securities	:	Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)]
Bylaw(s)	:	Bylaw(s) of the Proposed ESOS (a draft of which is set out in Appendix II of this Circular)
CDS	:	Central Depository System governed under the Securities Industry (Central Depositories) Act 1991, as amended from time to time and all regulations made thereunder and any re-enactment thereof
Circular	:	This circular dated 10 July 2020 in relation to the Proposals
Constitution	:	The constitution or articles of association of MYEG or by such other names so called as amended from time to time
Director(s)	:	The director(s) of MYEG and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the Capital Markets And Services Act 2007 (and any amendments from time to time and any re-enactment thereof)
Dividend(s)	:	Cash dividend(s) declared by MYEG (whether interim, final, special or any other cash dividend)
Dividend Account	Payment	: A non-interest bearing account opened by MYEG to facilitate the payment of Dividends
DRF	:	Dividend Reinvestment Form (in such form as the Board may approve) issued in connection with the Proposed DRP by which Shareholders elect to participate in the Proposed DRP and contained in the Notice of Election
EGM	:	The extraordinary general meeting of MYEG
Electable Portion	:	The whole or part of the Dividend(s) to which the Board, at its absolute discretion, determines that the Reinvestment Option applies
Eligible Person(s)	:	The eligible Directors and employees of MYEG and its subsidiaries that are not dormant, who meet the criteria of eligibility for participation in the Proposed ESOS as set out in the Bylaws
Entitlement Date	:	The date as at the close of business (to be determined and announced by the Board) on which Shareholders' names appear in the record of depositors of MYEG in order to participate in the Proposed DRP applicable to a Dividend

DEFINITIONS (CONT'D)

EPF	: Employees Provident Fund Board
EPS	: Earnings per share
ESOS	: Employees' share option scheme
ESOS Committee	: The committee to be duly appointed and authorised by the Board pursuant to the Bylaws to administer the ESOS in relation to the Proposed ESOS
ESOS Option(s)	: The option(s) to subscribe for MYEG Shares to be granted to Eligible Person(s)
Expiry Date	: The due date (i.e. a date to be fixed and announced by the Board and which shall be at least 14 days from the date of Notice of Election is despatched or such other date as may be prescribed by Bursa Securities) by which an election to be made by Shareholders in relation to their Electable Portion must be received by the share registrar of MYEG or at such address as may be determined by MYEG from time to time
Financial Services	: The provision of the following financial services/ product offerings by MYEG, collectively:- <ul style="list-style-type: none">i. auto financing (conventional/ Islamic hire purchase loans);ii. personal and business financing (conventional/ Islamic financing); andiii. digital banking services (subject to obtaining the necessary approvals)
First DRP	: The entire 2019 Proposed Final Dividend to which our Board has determined that the Proposed DRP may apply, which was announced by MYEG on 7 July 2020
FPE	: Financial period ended/ ending
FYE	: Financial year ended/ ending
Government	: Malaysian government
Issue Price	: The issue price of the new MYEG Shares to be issued pursuant to the Proposed DRP, to be determined and fixed by the Board on the Price-Fixing Date, and which shall be an issue price of not more than 10% discount to the 5-day VWAP of MYEG Shares immediately preceding the Price-Fixing Date, of which the VWAP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price at the material time
KWAP	: Kumpulan Wang Persaraan (Diperbadankan)
Listing Requirements	: Main Market Listing Requirements of Bursa Securities and any amendments from time to time
LPD	: 30 June 2020, being the latest practicable date prior to the printing and despatch of this Circular

DEFINITIONS (CONT'D)

Market Day(s)	:	Any day from Mondays to Fridays (inclusive of both days) which is not a public holiday and on which Bursa Securities is open for trading of securities
Maximum Scenario	:	Assuming all 152,104,400 treasury shares of MYEG as at the LPD are resold at cost prior to the implementation of the Proposals
MFRS 2	:	Malaysian Financial Reporting Standard 2 – Share-based Payment
Minimum Scenario	:	Assuming all 152,104,400 treasury shares of MYEG as at the LPD are retained prior to the implementation of the Proposals
MYEG	:	MY E.G. Services Berhad [Registration No. 200001003034 (505639-K)]
MYEGFT	:	MY EG Finance Technologies Sdn Bhd [Registration No. 201601005308 (1176234-M)]
MYEG Group or Group	:	MYEG and its subsidiaries, collectively
MYEG Share(s) or Share(s)	:	Ordinary share(s) in MYEG
NA	:	Net assets attributable to the owners of MYEG
Notice of Election	:	The notice of election (in such form as the Board may approve) in relation to the Reinvestment Option by which Shareholders confirm the exercise thereof through the DRF contained in the notice of election. The notice of election, will stipulate amongst others, the instructions in respect of the action to be taken by Shareholders should they wish to exercise the Reinvestment Option as well as the Expiry Date
Offer Date	:	Date on which an offer is made by the ESOS Committee in writing to a selected Eligible Person to participate in the Proposed ESOS
Price-Fixing Date	:	The date on which the Board determines and announces the Issue Price, upon procuring all the relevant approvals, either on the same day as or before the announcement of the Entitlement Date in relation to a Dividend to which the Reinvestment Option applies
Proposals	:	The Proposed DRP, Proposed ESOS and Proposed Diversification, collectively
Proposed Diversification	:	Proposed diversification of the existing business of MYEG Group to include Financial Services
Proposed DRP	:	Proposed establishment of a dividend reinvestment plan that provides Shareholders with an option to elect to reinvest their Dividend in new MYEG Shares
Proposed ESOS	:	Proposed establishment of an ESOS of up to 10% of the total number of issued shares of MYEG (excluding treasury shares, if any) at any point in time over the duration of the ESOS
Remaining Portion	:	The remaining portion of the Dividend, (in the event the Electable Portion is not applicable for the whole Dividend declared) which will be paid in cash

DEFINITIONS (CONT'D)

Reinvestment Option	:	The option given to Shareholders pursuant to the Proposed DRP by the Board and at the Board's discretion, to reinvest all or part of the Electable Portion in new MYEG Shares
RM and sen	:	Ringgit Malaysia and sen, respectively
Rules	:	Rules on Take-overs, Mergers and Compulsory Acquisitions
Shareholder(s)	:	Shareholder(s) of MYEG
UOBKH or the Adviser	:	UOB Kay Hian Securities (M) Sdn Bhd [Registration No. 199001003423 (194990-K)]
VWAP	:	Volume weighted average market price
2019 Proposed Dividend	:	Final : The proposed final dividend of 2.0 sen per Share in respect of the 15-month FPE 31 December 2019, announced by MYEG on 27 February 2020, which is subject to Shareholders' approval to be sought at the forthcoming 19th AGM. The Board has determined that the Proposed DRP (subject to the relevant approvals) will be applicable to the entire said proposed final dividend of 2.0 sen per Share

All references to "we", "us", "our" and "ourselves" are made to MYEG, or where the context requires, shall include our subsidiaries.

All references to "you" in this Circular are made to Shareholders who are entitled to attend and vote at the forthcoming EGM.

Unless specifically referred to, words denoting incorporating the singular shall, where applicable include the plural and vice versa and words denoting incorporating the masculine gender shall where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include corporations, unless otherwise specified.

Any reference to a time of day and date in this Circular shall be a reference to Malaysian time and date, respectively, unless otherwise specified. Any discrepancy in the figures included in this Circular between the amounts stated, actual figures and the totals thereof are due to rounding adjustments.

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EXECUTIVE SUMMARY

This Executive Summary highlights only the salient information of the Proposals. Shareholders are advised to read this Circular in its entirety for further details and not to rely solely on this Executive Summary in forming a decision on the Proposals before voting at the EGM.

Key information	Description	Reference to Circular
Summary of the Proposals	<u>Proposed DRP</u>	Section 2
	<ul style="list-style-type: none">The Proposed DRP will provide Shareholders with an opportunity to reinvest their Dividends in new MYEG Shares, in lieu of receiving cash. <p>In relation to Dividends declared, our Board may, at its absolute discretion, determine whether to pay such Dividends in cash or to offer Shareholders the Reinvestment Option and where applicable, the Electable Portion. Shareholders should note that MYEG is not obliged to undertake the Proposed DRP for every Dividend declared.</p>	
	<u>Proposed ESOS</u>	Section 3
	<ul style="list-style-type: none">The Proposed ESOS involves the granting of ESOS Options to Eligible Persons to subscribe for MYEG Shares (whether by way of issuance of new MYEG Shares and/or transfer of treasury shares of MYEG) on the terms and conditions as set out in the Bylaws. The Proposed ESOS will be administered by the ESOS Committee in such manner it shall in its discretion deem fit, in accordance with the provisions set out in the Bylaws.The maximum number of MYEG Shares, which may be made available pursuant to the Proposed ESOS shall not exceed in aggregate 10% of the total number of issued MYEG Shares (excluding treasury shares, if any) at any point in time over the duration of the Proposed ESOS.	
	<u>Proposed Diversification</u>	Section 4
	<ul style="list-style-type: none">As part of our Group's continuous effort to capture new opportunities and further expand our Group's existing services/ product offerings across our existing markets, our management intends to diversify our Group's business activities to include Financial Services.As we intend to expand our Group's existing auto financing services and provision of personal and business financing and introduce digital banking services, our management anticipates that Financial Services may potentially contribute 25% or more of the net profits of our Group or cause a diversion of 25% or more of the NA of our Group moving forward. Pursuant thereto, our Board proposes to seek the approval from Shareholders for the Proposed Diversification pursuant to Paragraph 10.13(1) of the Listing Requirements.	
Rationale for the Proposals	<u>Proposed DRP</u>	Section 6.1
	<ul style="list-style-type: none">To provide an opportunity for Shareholders to exercise the Electable Portion into new MYEG Shares in lieu of receiving cash under the Proposed DRP. Shareholders are expected to benefit from their participation in the Proposed DRP as the new MYEG Shares may be issued at a discount. Further, their subscription of such new MYEG Shares will be free from any brokerage fees and other related transaction costs (unless otherwise provided by any statute, law or regulation).	

EXECUTIVE SUMMARY (CONT'D)

Key information	Description	Reference to Circular
	<ul style="list-style-type: none"> To provide us with flexibility in managing our capital position as well as strengthen our capital position as any cash retained within MYEG that would otherwise be made payable by way of Dividend, will be preserved to fund the working capital requirements of our Group. To potentially improve the liquidity of MYEG Shares currently listed on the Main Market of Bursa Securities through the issuance of new MYEG Shares pursuant to the Proposed DRP resulting in an enlarged share capital base. 	
	<u>Proposed ESOS</u>	Section 6.2
	<ul style="list-style-type: none"> To recognise and reward the Eligible Persons by giving recognition to their contributions and services that are considered vital to the operations, hence motivating employee performance to create sustainable growth and profitability for our Group. To retain, motivate and reward the Eligible Persons by allowing them to participate in our Group's profitability and eventually realise the value of MYEG Shares upon disposal. To align the interests of Eligible Persons with that of Shareholders' through the achievement of our Group's objectives and plans. To attract prospective employees with relevant skills and experience to our Group by making compensation packages offered more competitive. To foster and reinforce the Eligible Persons' loyalty and sense of belonging to our Group by enabling them to participate directly in our equity, thereby incentivising the Eligible Persons to contribute more actively to the operations and future growth and success of our Group. 	
	<u>Proposed Diversification</u>	Section 6.3
	<ul style="list-style-type: none"> To expand our Group's existing services/ product offerings by leveraging on our Group's branding, online platforms/ channels and user base. The provision of auto financing services and personal and business financing is expected to create additional value to our Group's user base and improve users' overall experience in terms of convenience and access to financing, which in turn may grow our Group's revenue in the medium-to-long term. The introduction of digital banking services (subject to obtaining the necessary approvals) is expected to complement and enhance the services/ product offerings under Financial Services and ultimately, provide a total and comprehensive range of services/ product offerings to increase engagement with existing users as well as to entice new users to adopt our Group's services/ product offerings. 	
Key risks of the Proposals	<ul style="list-style-type: none"> Credit risk – our Group will face credit risk which may have a material effect on our Group's financial results arising from some of the unsecured lending and potential default by borrowers in making their repayments. Such risk could arise due to an adverse impact on the credit quality of borrowers or an adverse change in the local and/ or global economy conditions. 	Section 8.1

EXECUTIVE SUMMARY (CONT'D)

Key information	Description	Reference to Circular
	<p>Notwithstanding that, our Group will carry out comprehensive credit assessment in line with our Group's internal credit policy to evaluate the creditworthiness of our applicants and has established specific criteria for applicants to meet before the disbursement of any funds. Our Group has also put in place internal policies to monitor the collection from borrowers and minimise default risks.</p>	
	<ul style="list-style-type: none"> • Business risk – our Group's business is subject to risks inherent in the financial services industry. These include but not limited to, the aforementioned credit risk of our borrowers potentially defaulting on their repayments, adverse changes in licensing requirements, adverse changes to economic conditions, attempts by criminal parties to launder money and/ or finance illegal activities, fluctuations in interest rates, downturns in the global, regional and/ or national economies, changes in law and tax regulations, unfavourable foreign exchange rates, and adverse changes in business and credit conditions. <p>Notwithstanding that, we conduct a periodic review of our business and operations and also adopt prudent financial management and efficient operating procedures to limit the impact of the aforementioned risks.</p>	Section 8.2
	<ul style="list-style-type: none"> • Competition risk – our Group faces competition from existing competitors and/ or new entrants operating in similar business relating to Financial Services. Nevertheless, our Group will continue to take proactive measures to remain competitive in this business by amongst others, constantly keeping abreast with the latest market conditions, and continuing efforts in maintaining a competitive edge in terms of cost efficiency, service quality, product quality and reliability. 	Section 8.3
	<ul style="list-style-type: none"> • Dependency on key management personnel – as in any other business, our Group's success in the Proposed Diversification depends largely on the capabilities, skills, competencies and continued effort of our experienced personnel. Recognising the importance of the key management personnel involved, our Group will adopt appropriate approaches, including incentives, remuneration packages as well as provide a good working environment to promote productivity and retain their services. In addition, our Group will also identify high-performing senior management and/ or employees to take on additional responsibilities and provide appropriate remuneration packages to retain their services in an effort to mitigate our Group's dependency on key management personnel. 	Section 8.4
	<ul style="list-style-type: none"> • Political, economic and regulatory risk – With the participation of our Group in Financial Services, our business, prospects, financial condition and level of profitability are subject, to a certain extent, the developments in the economic, political and regulatory environment of Malaysia. Such risks include, economic uncertainties, changes in rules and regulations particularly those governing the financial services industry, changes in interest rate policies, unfavourable monetary and fiscal policy, changes in political leadership and changes in tax laws. <p>Notwithstanding that, our Group will constantly keep abreast with the political, economic and regulatory developments through various media, events and/ or seminars, and may also engage in discussion or meeting with the relevant stakeholders to evaluate, introduce and/ or undertake measures with the aim of mitigating impact of the aforementioned risks.</p>	Section 8.5

EXECUTIVE SUMMARY (CONT'D)

Key information	Description	Reference to Circular
Conditionality of the Proposals	<ul style="list-style-type: none"> The Proposed DRP, Proposed ESOS and Proposed Diversification are not inter-conditional upon each other. The Proposals are not conditional upon any other proposals undertaken or to be undertaken by MYEG. 	Section 11
Approvals required	<p>The Proposals are subject to the following approvals being obtained:-</p> <ol style="list-style-type: none"> Bursa Securities, for the following:- <ol style="list-style-type: none"> listing of and quotation for up to 66,400,109 new MYEG Shares to be issued pursuant to the Proposed DRP; and listing of and quotation for such number of MYEG Shares, representing up to 10% of MYEG's total number of issued shares (excluding treasury shares, if any) that may be issued pursuant to the Proposed ESOS; <p>on the Main Market of Bursa Securities, the approval of which has been obtained vide its letter dated 29 June 2020 subject to the conditions set out in Section 11 of this Circular.</p> Shareholders at the forthcoming EGM. Additionally, approvals for any issuances of new MYEG Shares pursuant to the Proposed DRP will be sought at the AGM on an annual basis where applicable. <p>For avoidance of doubt, the issuance of new MYEG shares pursuant to the First DRP is conditional upon the Proposed DRP; and</p> <ol style="list-style-type: none"> Any other relevant authority, if required. 	Section 11
Board's recommendation	<p>Our Board having considered all aspects of the Proposals, including but not limited to the rationale, justification and the effects of the Proposals, are of the opinion that the Proposals are in the best interest of MYEG. Accordingly, our Board recommends that you VOTE IN FAVOUR of the resolutions pertaining to the Proposals at the forthcoming EGM.</p> <p>In view that all Directors are eligible to participate in the Proposed ESOS, they will abstain and ensure that persons connected to them, abstain from voting in respect of their direct and/ or indirect interests in MYEG, on the resolutions pertaining to their respective allocations as well as allocations to persons connected to them, under the Proposed ESOS at the forthcoming EGM to be convened.</p> <p>Where the resolutions are not related to their respective allocations or to the persons connected to them, the Directors, after having considered all aspects of the Proposed ESOS, are of the opinion that the Proposed ESOS is in the best interest of our Group and recommend that you VOTE IN FAVOUR of the resolutions pertaining to the Proposed ESOS at the forthcoming EGM.</p>	Section 15



MY E.G. SERVICES BERHAD
[Registration No. 200001003034 (505639-K)]
(Incorporated in Malaysia)

Registered Office

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

10 July 2020

Board of Directors

Dato' Dr Norraesah Binti Haji Mohamad (*Executive Chairman*)
Wong Thean Soon (*Group Managing Director*)
Tan Sri Dato' Dr Muhammad Rais Bin Abdul Karim (*Independent Non-Executive Director*)
Datuk Mohd Jimmy Wong Bin Abdullah (*Independent Non-Executive Director*)
Wong Kok Chau (*Independent Non-Executive Director*)

To: Our shareholders

Dear Sir/ Madam,

- I. PROPOSED DRP;**
- II. PROPOSED ESOS; AND**
- III. PROPOSED DIVERSIFICATION**

1. INTRODUCTION

On 1 June 2020, UOBKH had, on behalf of our Board, announced that we proposed to undertake the following:-

- i. establishment of a dividend reinvestment plan that provides Shareholders with an option to elect to reinvest their Dividends in new MYEG Shares.

On 7 July 2020, our Board had announced that the Proposed DRP (subject to approvals set out in Section 11 of this Circular) may be applicable to the entire 2019 Proposed Final Dividend.
- ii. establishment of an ESOS of up to 10% of the total number of issued Shares (excluding treasury shares, if any) at any point in time over the duration of the ESOS for Eligible Persons; and
- iii. diversification of our Group's existing business to include Financial Services.

On 10 June 2020, our Board had announced that MY E.G. Capital Sdn Bhd ("**MYEG Capital**"), a wholly-owned subsidiary of MYEG, had on even date entered into a share sale agreement with Merrington Assets Limited ("**MAL**") and MYEG for the purchase of 118,000,000 ordinary shares of S5 Holdings Inc ("**S5**"), representing 10% of the issued share capital of S5 by MYEG Capital from MAL for a total purchase consideration of RM90,000,000 ("**Acquisition**"). The purchase consideration shall be satisfied in the following manner:-

- i. MYEG Capital shall pay a cash consideration of RM75,000,000 to MAL in such manner as MAL shall instruct; and
- ii. the balance amount of RM15,000,000 shall be satisfied by the allotment and issuance of 12,500,000 new MYEG Shares ("**Consideration Shares**") to MAL at an issue price of RM1.20 per new MYEG Share.

Subsequent to the listing of the Consideration Shares and payment of the cash consideration on 7 July 2020, the Acquisition was completed on even date. For avoidance of doubt, the Consideration Shares are entitled to the First DRP.

On 29 June 2020, UOBKH had, on behalf of our Board, announced that Bursa Securities had vide its letter dated 29 June 2020, resolved to approve the following, subject to the conditions as disclosed in Section 11 of this Circular:-

- i. listing of and quotation for up to 66,400,109 new MYEG Shares to be issued pursuant to the Proposed DRP on the Main Market of Bursa Securities; and
- ii. listing of and quotation for such number of new MYEG Shares, representing up to 10% of MYEG's total number of issued shares (excluding treasury shares, if any) that may be issued pursuant to the Proposed ESOS on the Main Market of Bursa Securities.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSALS AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM AND THE PROXY FORM ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.

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

2. DETAILS OF THE PROPOSED DRP

2.1 Overview

The Proposed DRP will provide Shareholders with an opportunity to reinvest their Dividends in new MYEG Shares, in lieu of receiving cash.

In relation to Dividends declared, our Board may, at its absolute discretion, determine whether to pay such Dividends in cash or to offer Shareholders the Reinvestment Option and where applicable, the Electable Portion. Shareholders should note that MYEG is not obliged to undertake the Proposed DRP for every Dividend declared.

In this respect, the Electable Portion may encompass the whole or part of the Dividend declared. In the event the Electable Portion is not applicable for the whole Dividend declared, the Remaining Portion will be paid in cash.

As announced by our Board on 7 July 2020, the Proposed DRP (subject to the approvals set out in Section 11 of this Circular) may be applicable to the entire 2019 Proposed Final Dividend which is subject to Shareholders' approval at the forthcoming 19th AGM of MYEG.

If our Board considers that by reason of any event or circumstance (whether arising before or after our Board has determined that the Proposed DRP shall apply to any Dividend and before the allotment and issuance of the new MYEG Shares in respect of the Electable Portion) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Proposed DRP in respect of a particular Electable Portion, our Board may, at its absolute discretion and as it deems fit and expedient, modify, suspend (in whole or in part) or terminate the application of the Proposed DRP to the Electable Portion or to terminate the Proposed DRP at any time it deems fit and expedient, and without assigning any reason thereto, by giving Shareholders notice in such manner as our Board deems fit, subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia, as the case may be. Further details are set out in Section 2.9 of this Circular.

Unless our Board has determined that the Reinvestment Option will apply to a particular Dividend declared (whether in whole or in part), all future Dividends as may be declared by MYEG will be paid wholly in cash to Shareholders in the usual manner through the Dividend Payment Account.

2.2 Election to reinvest Dividends in the new MYEG Shares

Shareholders will have the following options in respect of the Reinvestment Option:-

- i. to elect to participate in the Reinvestment Option by reinvesting the whole or part of the Electable Portion at the Issue Price.

In the event that only part of the Electable Portion is reinvested, Shareholders shall receive cash for the balance portion of the Electable Portion not reinvested; or

- ii. to elect not to participate in the Reinvestment Option and thereby receive their entire Dividend entitlement wholly in cash.

Approval will be sought from Bursa Securities for the listing of and quotation for the new MYEG Shares on the Main Market of Bursa Securities pursuant to each Dividend to which the Reinvestment Option applies. An announcement of the Entitlement Date will be made, after receipt of the said approval from Bursa Securities, approval from Shareholders and other relevant authorities, where applicable. The Issue Price shall be announced either on the same day as or before the announcement of the Entitlement Date or such other periods as prescribed by the Listing Requirements.

Subsequent to the Entitlement Date, the Notice of Election (together with the DRF attached thereto) will be despatched to all Shareholders. Instructions will be provided in the Notice of Election in respect of the action to be taken by Shareholders should they wish to exercise the Reinvestment Option. The Notice of Election will also state, amongst others, the Expiry Date.

In addition, we shall transfer funds amounting to the total net Dividends declared (after deduction of any applicable income tax) from our account to the Dividend Payment Account held in trust for Shareholders.

In accordance with Paragraph 6.09 of the Listing Requirements, MYEG will, within 8 Market Days from the Expiry Date or such date as may be prescribed by Bursa Securities, allot and issue the new MYEG Shares and despatch notices of allotment to Shareholders (who exercise the Reinvestment Option) ("**Allotment Date**"). The new MYEG Shares to be issued pursuant to the Proposed DRP will not be underwritten.

Further, in accordance with Paragraphs 8.26(2) and 9.19(2)(a)(ii) of the Listing Requirements, on the Allotment Date (which will be within 1 month from the Entitlement Date and in any event, within 3 months from the date of the declaration of the dividend or the date on which the approval is obtained in a general meeting of MYEG, whichever is applicable), the Remaining Portion and balance of the Electable Portion not reinvested will be paid in cash. For avoidance of doubt, Dividends for Shareholders who do not exercise their Reinvestment Option will also be paid concurrently on the Allotment Date, in cash, in the usual manner.

We will also release an announcement in respect of the day on which the new MYEG Shares will be listed and quoted on the Main Market of Bursa Securities accordingly.

Shareholders will receive the Electable Portion in cash if they do not expressly elect in writing to exercise the Reinvestment Option by the Expiry Date. As such, Shareholders who wish to reject the Reinvestment Option or to receive their Dividends wholly in cash need not take any action with regard to the Notice of Election or DRF.

The shareholding percentage of a Shareholder in MYEG may be diluted should he/ she decide not to exercise his/ her Reinvestment Option. However, the extent of the dilution, if any, will depend on the number of new MYEG Shares issued by MYEG pursuant to the level of the Reinvestment Option exercised by other Shareholders, which cannot be determined at this juncture.

2.3 Pricing of the new MYEG Shares

We will issue new MYEG Shares to Shareholders who elect to exercise the Reinvestment Option under the Proposed DRP. The Issue Price shall not be more than 10% discount to the 5-day VWAP of MYEG Shares immediately prior to the Price-Fixing Date to be determined and announced later. For avoidance of doubt, the VWAP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the Issue Price. An illustration of the indicative Issue Price of new MYEG Shares for the Proposed DRP is set out in Section 9 of this Circular.

There are no brokerage fees and other related transaction costs payable by Shareholders, who exercise the Reinvestment Option, on new MYEG Shares allotted, unless otherwise provided by any statute, law or regulation. However, a stamp duty of RM10.00 will be levied on each DRF submitted by Shareholders who elect to exercise the Reinvestment Option.

2.4 Ranking of the new MYEG Shares

The new MYEG Shares will, upon allotment and issuance, rank equally in all respects with the existing MYEG Shares, save and except that the holders of new MYEG Shares shall not be entitled to any dividends, rights, allotments and/ or any other forms of distributions that may be declared, made or paid to Shareholders where the entitlement date of such distributions precedes the relevant date of allotment and issuance of the new MYEG Shares.

The new MYEG Shares are prescribed securities and will be credited directly into the respective CDS account(s) of Shareholders who exercise their Reinvestment Option. No physical share certificates will be issued.

2.5 Eligibility to participate in the Proposed DRP

The right to participate in the Proposed DRP will be granted to all Shareholders, including Directors, substantial Shareholders and other interested persons (including persons connected with a Director or substantial Shareholder) of MYEG who hold MYEG Shares, provided that:-

- i. such participation will not result in a breach of any restrictions on their holding of MYEG Shares which may be imposed by any of their contractual obligations, or by any statute, law or regulation in force in Malaysia or any other relevant jurisdiction, or by any relevant authorities as the case may be (unless the requisite approvals under the relevant statute, law or regulation or from the relevant authorities are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts); or
- ii. there are no restrictions for such participation as prescribed in MYEG's Constitution.

The Notice of Election will not be sent to Shareholders whose address in MYEG's Record of Depositors is not in Malaysia to avoid any violation on the part of MYEG of any securities laws applicable outside Malaysia.

Shareholders who currently do not have any registered address in Malaysia and who wish to participate in the Proposed DRP may collect the Notice of Election together with the DRF and/ or other documents relating to the Proposed DRP from the share registrar located at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia or at such address as may be determined by MYEG from time to time and the share registrar may in such event be entitled to request for documentary evidence to satisfy itself as to the identity and authority of the person collecting the Notice of Election together with the DRF and/ or other documents relating to the Proposed DRP; or alternately provide the share registrar with their respective address in Malaysia not later than 3 Market Days prior to the relevant Entitlement Date in respect of any Dividends to which our Board has determined that the Reinvestment Option shall apply.

2.6 Odd lots

Shareholders who exercise the Reinvestment Option may be allotted new MYEG Shares in odd lots depending on his/ her entitlement of new MYEG Shares. Shareholders who receive odd lots of new MYEG Shares and who wish to trade such odd lots may do so via the odd lots market of Bursa Securities, which allows the trading of odd lots with a minimum of 1 MYEG Share.

Shareholders who do not wish to receive new MYEG Shares in odd lots may round down the number of new MYEG Shares elected such that he/ she will receive new MYEG Shares in multiples of 100 new MYEG Shares. For any amount of Dividends relating to undesired odd lots entitlement of new MYEG Shares, the Shareholder can elect to receive such amount of Dividends in cash in the usual manner. Where a Shareholder's entitlement of new MYEG Shares is less than 100 Shares, the Shareholder can elect to receive his/ her entire Dividend entitlement in cash in the usual manner or new MYEG Shares in odd lots.

2.7 Maximum number of new MYEG Shares

The maximum number of new MYEG Shares to be issued under the Proposed DRP will depend on, amongst others:-

- i. the quantum of the Dividend;
- ii. our Board's decision on the Electable Portion;
- iii. the number of Shareholders who elect to exercise the Reinvestment Option and the extent of their election;
- iv. the Issue Price; and

- v. any necessary downward adjustment by our Board to the final number of new MYEG Shares to be allotted and issued to any Shareholders as referred to in Section 2.11 of this Circular.

Under the Proposed DRP, Shareholders who elect to exercise the Reinvestment Option will not be allotted fractional shares. As such, the amount of the Dividends relating to such fractional entitlement of new MYEG Shares will be added to the Remaining Portion and paid in cash to the Shareholders in the usual manner.

2.8 Taxation

A tax voucher will be despatched to all Shareholders irrespective of whether Shareholders make an election to exercise the Reinvestment Option. For income tax purposes, Shareholders shall be taken as having received a cash distribution equivalent to the amount of the Dividends declared, notwithstanding that Shareholders may elect to exercise the Reinvestment Option (in whole or in part). Hence the election for the Reinvestment Option does not relieve Shareholders of any income tax obligation (if applicable) and there is no tax advantage to be gained in exercising the Reinvestment Option or otherwise.

2.9 Availability of the Proposed DRP

If our Board shall consider that by reason of any event or circumstance (whether arising before or after our Board has determined that the Proposed DRP shall apply to any Dividend and before the allotment and issuance of the new MYEG Shares in respect of the Electable Portion) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Proposed DRP in respect of a particular Electable Portion, our Board may, at its absolute discretion and as it deems fit and expedient, modify, suspend (in whole or in part) or terminate the application of the Proposed DRP to the Electable Portion or to terminate the Proposed DRP at any time it deems fit and expedient, and without assigning any reason thereto, by giving Shareholders notice in such manner as our Board deems fit.

Subject to any statute, law or regulation in force in Malaysia, as the case may be, the abovementioned power of our Board shall be valid and subsisting irrespective of whether an election to exercise the Reinvestment Option has been made and notwithstanding any other provisions or terms and conditions stated herein or otherwise.

In the event our Board decides to cancel the application of the Proposed DRP to Bursa Securities in relation to the Electable Portion, Shareholders will receive the Electable Portion, in cash, in the usual manner from the Dividend Payment Account.

2.10 General

Shareholders' approval for the Proposed DRP and the issuance of such number of new MYEG Shares pursuant to any Dividend to be declared before MYEG's next AGM to which the Proposed DRP applies will be sought at the forthcoming EGM. Subsequent Shareholders' approvals for future issuances of new MYEG Shares pursuant to the Proposed DRP will be sought at the AGM on an annual basis where applicable.

For avoidance of doubt, the specific approval to be obtained from Shareholders for the issuance of new MYEG Shares arising from the Proposed DRP is separate from and in addition to the general mandate (i.e. Shareholders' approval under Sections 75 and 76 of the Act for general purpose, where the Shares to be issued shall not exceed 10% of the total number of issued shares of MYEG (excluding treasury shares, if any) that may be sought at the AGM on an annual basis).

Amendments to the Constitution of MYEG are not required under the Proposed DRP as neither the Constitution of MYEG nor the Act prohibits the implementation of any dividend reinvestment plan.

Please refer to Appendix I of this Circular for the Dividend Reinvestment Plan Statement which sets out the terms and conditions of the Proposed DRP.

2.11 Implications of the Rules and other shareholding limits

2.11.1 The Rules

Shareholders should take note of Paragraph 4.01 of the Rules and Sections 217 and 218 of the Capital Markets and Services Act, 2007. In particular, a Shareholder should be aware that he/ she may be under an obligation to extend a take-over offer for the remaining Shares not already owned by him/ her and persons acting in concert with him/ her (collectively, the "**Affected Parties**"), if by participating in the Proposed DRP in relation to the reinvestment of the Electable Portion:-

- i. the Affected Parties have obtained control (i.e. acquired more than 33% of the voting shares or voting rights) in MYEG; or
- ii. the Affected Parties have acquired more than 2% of the voting shares or voting rights of MYEG in any 6 months period and that Affected Parties hold more than 33% but not more than 50% of the voting shares or voting rights of MYEG during the 6 months period, or such other amount as may be prescribed in the Rules, howsoever effected.

In the event an obligation to undertake a mandatory offer is expected to arise with respect to any parties resulting from the exercise of the Reinvestment Option, the Affected Parties may make an application to Securities Commission Malaysia for an exemption from the obligation to undertake a mandatory offer pursuant to the Rules prior to exercising their Reinvestment Option.

The statements herein do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under, the Rules or other relevant legislation or regulations. Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer under the Rules as a result of any subscription of new MYEG Shares through their participation in the Proposed DRP are advised to consult their professional advisers at the earliest opportunity.

2.11.2 Other shareholding limits

Shareholders are responsible to ensure that their participation will not result in a breach of any restrictions on their respective holding of MYEG Shares which may be imposed by any of the Shareholders' contractual obligations, or by statute, law or regulation in force in Malaysia or any other relevant jurisdiction, or by any relevant authorities, as the case may be (unless the requisite approvals under the relevant statute, law or regulation or from the relevant authorities are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts), or as prescribed in MYEG's Constitution.

Our Board shall be entitled but not obligated to (save and except where required by law) reduce or limit the number of new MYEG Shares to be issued to any Shareholder and/ or pay to the Shareholder, the Electable Portion or any part thereof in cash, should our Board be aware or be informed in writing of any expected breach of such shareholding limits as a result of the exercise of the Reinvestment Option by such Shareholder.

3. DETAILS OF THE PROPOSED ESOS

The Proposed ESOS involves the granting of ESOS Options to Eligible Persons to subscribe for MYEG Shares.

The Proposed ESOS will be administered by the ESOS Committee. The ESOS Committee shall be vested with such powers and duties as are conferred upon it by our Board to administer the Proposed ESOS in such manner it shall at its discretion deem fit, in accordance with the provisions set out in the Bylaws. The decision as to whether the allocation of the ESOS Options will be granted on staggered basis over the duration of the Proposed ESOS shall be determined by the ESOS Committee at a later date.

The ESOS Committee may at its absolute discretion decide that the ESOS Options be satisfied via the following methods:-

- i. issuance of new MYEG Shares;
- ii. transfer of MYEG's treasury shares (if any) or any other methods as may be permitted by the Act; or
- iii. a combination of any of the above.

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

The salient features of the Proposed ESOS are set out below:-

3.1 Maximum number of MYEG Shares available under the Proposed ESOS

The maximum number of MYEG Shares, which may be made available pursuant to the Proposed ESOS shall not exceed in aggregate 10% of the total number of issued MYEG Shares (excluding treasury shares, if any) at any point in time over the duration of the Proposed ESOS.

3.2 Basis of allotment and maximum allowable allotment

The maximum number of ESOS Options that may be offered to an Eligible Person under the Proposed ESOS shall be determined at the sole and absolute discretion of the ESOS Committee after taking into consideration, amongst others and where relevant, the employment grade, length of service, performance appraisal and past and future contributions of the Eligible Person and shall be subject to the following:-

- i. The Directors and senior management of our Group (excluding dormant subsidiaries) do not participate in the deliberation or discussion of their respective allocation of ESOS Options as well as allocation of ESOS Options to persons connected with them, if any;
- ii. The allocation to an Eligible Person, who either singly or collectively, through persons connected to the Eligible Person, holds 20% or more of the total number of issued MYEG Shares (excluding treasury shares, if any), must not exceed 10% of the total number of MYEG Shares to be made available under the Proposed ESOS; and
- iii. not more than 50% of the total number of MYEG Shares to be made available under the Proposed ESOS shall be allocated, in aggregate, to the Directors and senior management of our Group (excluding dormant subsidiaries), on the basis that they are crucial to the performance of our Group as determined by the ESOS Committee at their sole and absolute discretion,

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

In the event that any Eligible Person is a member of the ESOS Committee, such Eligible Person and persons connected with him/ her who are also members of the ESOS Committee shall not participate in the deliberation, discussion and/ or voting of the allocation of the ESOS Options to such Eligible Persons or persons connected with them.

The ESOS Committee has the discretion to determine whether the ESOS Options are subject to any vesting period and if so, the vesting conditions and whether such vesting conditions are subject to performance target. As at the date of this Circular, we have yet to determine any specific performance targets, which are required to be achieved before the exercise of ESOS Options by an Eligible Person. The ESOS Committee has the discretion to determine whether the Eligible Person is required to achieve any specific performance target(s) before he/ she may exercise the ESOS Options granted to him/ her. Any such performance target(s) if set, shall be stated in the offer letter to the Eligible Person.

3.3 Eligibility

Subject to the discretion of the ESOS Committee, only Eligible Persons who meet the following conditions as at the Offer Date shall be eligible to participate in the Proposed ESOS:-

- i. the Director or employee shall have attained the age of 18 years on the Offer Date and neither an undischarged bankrupt nor subject to any bankruptcy proceedings;
- ii. if an employee or executive Director, he/ she must have been employed by MYEG and/ or a subsidiary within our Group, which is not dormant, and his/ her employment as an Eligible Person must have been confirmed on the Offer Date, irrespective of whether he/ she was transferred to a subsidiary within our Group which is not dormant, in which case he/ she must have been a confirmed employee in that subsidiary within our Group which is not dormant, employed on a full-time basis and not employed on a fixed-term contract, and has not served a notice to resign nor received a notice of termination;
- iii. if a non-executive Director, he/ she must have been appointed and remain appointed as a Director of MYEG and/ or any subsidiary within our Group, which is not dormant, as at the Offer Date; and/ or
- iv. they must fulfil such other eligibility criteria as may be determined by the ESOS Committee from time to time;

The Directors are eligible to participate in the ESOS, provided such entitlement under the ESOS is approved by Shareholders at a general meeting.

The ESOS Committee may, in its absolute discretion, waive any of the conditions of eligibility as set out above. The eligibility and number of ESOS Options to be offered to an Eligible Person under the Proposed ESOS, subject to Section 3.2 of this Circular, shall be at the sole and absolute discretion of the ESOS Committee and the decision of the ESOS Committee shall be final and binding.

3.4 Duration

The Proposed ESOS, when implemented, shall be in force for a period of 5 years from the effective date of implementation of the Proposed ESOS ("**ESOS Effective Date**").

On or before the expiry of the above initial 5-year period, the Proposed ESOS may be extended by our Board at its absolute discretion, without having to obtain approval from Shareholders, for a further period of up to 5 years, but will not in aggregate exceed 10 years from the ESOS Effective Date or such longer period as may be allowed by the relevant authorities.

3.5 Basis of determining the exercise price

Subject to any adjustments made under the Bylaws and pursuant to the Listing Requirements, the exercise price of the ESOS shall be based on the 5-day VWAP of MYEG Shares immediately preceding the Offer Date, with a discount of not more than 10% or such other percentage of discount as may be permitted by Bursa Securities and/ or any other relevant authorities from time to time, as determined by our Board upon recommendation of the ESOS Committee which shall be binding and conclusive.

3.6 Ranking of the MYEG Shares pursuant to the exercise of the ESOS Options

The MYEG Shares to be issued and/ or transferred via treasury shares upon the exercise of the ESOS Options, shall upon allotment and issuance or transfer and full payment, rank equally in all respects with the existing MYEG Shares, save and except that such MYEG Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distributions declared, made or paid to Shareholders where the entitlement date of such distributions precedes the relevant date of issuance and/ or transfer of such MYEG Shares.

3.7 Holding of MYEG Shares

The ESOS Committee shall be entitled to prescribe or impose, in relation to any offer, any condition relating to any retention period or restriction on transfer of the MYEG Shares as it deems fit.

In addition to the above, pursuant to Paragraph 8.20 of the Listing Requirements, an eligible Director who is a non-executive Director of MYEG and/ or any of its subsidiaries, which are not dormant, shall not sell, transfer or assign the MYEG Shares obtained through the exercise of the ESOS Options offered to him/ her within 1 year from the Offer Date.

3.8 Listing and quotation for the new MYEG Shares to be issued arising from the exercise of the ESOS Options

Bursa Securities had vide its letter dated 29 June 2020, approved the listing of and quotation for such number of new MYEG Shares, representing up to 10% of the total number of issued shares of MYEG (excluding treasury shares, if any) at any point in time, arising from the exercise of ESOS Option(s) to be granted pursuant to the Proposed ESOS on the Main Market of Bursa Securities.

4. DETAILS OF THE PROPOSED DIVERSIFICATION

4.1 Background

At present, our Group is principally engaged in the development and implementation of electronic government services projects, and the provision of other related services for electronic government services projects as well as other commercial services in Malaysia ("**Existing Business**"). The electronic government services provided by our Group include the renewal of foreign workers' work permits; renewal of motor vehicle road tax; computerised theory test for drivers' licences; transfer of vehicle ownership as well as various information searches, payments and applications to numerous Government agencies.

In addition to being the concessionaire for various electronic government services, our Group is involved in commercial-based solutions and services including amongst others the sale of foreign workers' insurance, the sale of motor vehicle insurance, foreign worker recruitment services, automotive transactional portal and road assistance services and the provision of hostel accommodation for foreign workers.

As part of our Group's continuous effort to capture new opportunities and further expand our Group's existing services/ product offerings across our existing markets, our management intends to diversify our Group's business activities to include Financial Services.

Our Group's wholly-owned subsidiary, MYEGFT, holds a moneylending licence ("**Licence**") issued by the Ministry of Housing and Local Government under the Moneylenders Act 1951 to be read together with the Moneylenders (Control and Licensing) Regulations 2003. The Licence was first issued to MYEGFT on 15 January 2018 for a period of 2 years until 14 January 2020 and is renewable by application. For avoidance of doubt, the Licence had been renewed for a period of another 2 years and is valid from 15 January 2020 to 14 January 2022. The Licence allows MYEGFT to undertake business relating to moneylending activities (save for pawn business) during its effective period.

Our Group commenced its business in Financial Services on 20 April 2016 via the introduction of auto financing services which include the provision of conventional hire purchase loans and Islamic hire purchase loans and the provision of personal and business financing services in 2018 subsequent to obtaining the Licence. The latest audited financial results of our Group's Financial Services segment for the 15-month FPE 31 December 2019 is set out as follows:-

Financial Services segment	Audited 15-month FPE 31 December 2019 RM'000
Revenue	17,772
Cost of sales	1,634
Gross profit	16,131
PBT	1,190
PAT	971

Our management is also keen to venture into digital banking services and is currently in the midst of preparing the application for digital banking licence to Bank Negara Malaysia ("**BNM**") for the provision of digital banking services, which entails the leveraging and application of technologies for the delivery of financial products and services. Our management intends to submit the necessary application(s) to BNM within 1 month (on a best effort basis) from the date the final regulatory framework for digital banking licensing is made available by BNM. At present, there is no guidance on the expected timeframe for the approval of such application.

Subject to obtaining the digital banking licence from BNM, we expect to offer our digital banking services to existing users and the general public within 3 to 6 months from the date of obtaining the digital banking licence. In addition to the minimum capital funds that may be prescribed by BNM, we anticipate that our digital banking licence application and the subsequent rollout of digital banking services may require funding of approximately RM15.00 million for amongst others the development of such digital platform and promotional activities and/ or campaigns, which will be financed via internally generated funds and/ or bank borrowings, the breakdown of which is yet to be determined at this juncture.

Our Group intends to expand its existing auto financing services and provision of personal and business financing by conducting promotional activities and/ or campaigns to grow our user base. Further, we expect to increase our Group's user base via the successful introduction of digital banking services, which will be offered to existing users as well as the general public who are not our existing users. As such, by leveraging on new users of our digital banking services, the ability to cross sell our services and products across existing and new platforms may possibly result in an expansion of our auto financing services and personal and business financing. We intend to allocate up to RM10.00 million for such promotional activities and/ or campaigns as well as cross selling across platforms.

As we intend to expand our Group's existing auto financing services and provision of personal and business financing and introduce digital banking services, our management anticipates that Financial Services may potentially contribute 25% or more of the net profits of our Group or cause a diversion of 25% or more of the NA of our Group moving forward. Pursuant thereto, our Board proposes to seek the approval from Shareholders for the Proposed Diversification pursuant to Paragraph 10.13(1) of the Listing Requirements.

Notwithstanding the Proposed Diversification, our Group will continue with our Existing Business in the same manner.

4.2 Key Management Personnel

As Financial Services is intended to serve similar customers and utilise the same online platforms/ channels as our Existing Business, our Group has identified existing experienced personnel of our Group, namely Dato' Dr Norraesah Binti Haji Mohamad ("**Dato' Norraesah**"), the Executive Chairman of MYEG and Mr Wong Thean Chye ("**Mr Wong**"), the Chief Executive Officer of MYEGFT, as the key management personnel to lead the Proposed Diversification. Further details of the qualification and experience of the key management personnel are set out below:-

- i. **Dato' Dr Norraesah Binti Haji Mohamad**, a Malaysian aged 72, is the Executive Chairman of MYEG since August, 2006. She will be responsible for overseeing long-term business expansion and strategic planning of Financial Services.

She obtained a Bachelor of Arts (Hons) Economics from University of Malaya in 1972 and a Masters in International Economics Relations from International Institute of Public Administration, France and a Masters in International Economics and Finance from University of Paris I, Pantheon-Sorbonne, France in 1982. She further obtained a PhD (Economics Science) International Economics and International Finance from University of Paris I, Pantheon-Sorbonne, France in 1986.

She has over 48 years of working experience in various fields, which include amongst others, banking, consultancy, telecommunication, international trade and commerce. She served the Government, in particular the Ministry of International Trade and Industry (Malaysia) and Ministry of Finance from 1972 to 1988. She held the post of Director during her service years and was responsible for international trade matters as well as privatisations and debt management. Thereafter, she joined the private sector in 1988, beginning with Esso Production Malaysia Inc as Communications Manager where her duties included developing and executing external communications and marketing strategies.

From 1990 to 1991, she was a Managing Director with a consulting firm, overseeing the provision of financial and consulting services. She was later appointed as the Chief Representative of Credit Lyonnais Bank in Malaysia in 1991, a position she held until 1998. Subsequently, she served as the Chairman of several companies, including amongst others, Bank Kerjasama Rakyat Malaysia. She is currently an Independent Non-Executive Director of Adventa Berhad, the Executive Chairman of Excel Force MSC Berhad, an Independent Non-Executive Director of Latitude Tree Holdings Berhad and the Chairman of the World Islamic Businesswomen Network of the World Islamic Economic Forum and sits on its Board of Trustees and is a member of the International Advisory Panel.

Dato' Norraesah does not have any family relationship with any Director and/or major Shareholder.

- ii. **Mr Wong Thean Chye**, a Malaysian aged 53, is the Chief Executive Officer of MYEGFT. He is responsible for overseeing the day-to-day operations and developing new business for Financial Services. Besides steering the business of MYEGFT, he also leads its credit assessment team.

Mr Wong completed his studies at St George's Institution in 1986. He started his career, after graduating from St George's Institution, as a Quality Controller for the electronics component department of Sanyo Industries (M) Berhad, where he was responsible for monitoring quality of the production goods, before being assigned to the finance department as an Executive, where he was responsible for maintaining cost accounting systems and preparing accounting reports. In 1989, he joined Mayban Finance Berhad as an Officer in the credit control department where his primary duties were managing clients' credit accounts. Subsequently, he was promoted in 2011 as a Business Manager of auto financing hub in Perak for Malayan Banking Berhad after accruing several years of experience in the same industry.

He subsequently left Malayan Banking Berhad in 2014 and joined MYEG as the Regional General Manager for northern region in the same year. His primary focus in MYEG includes overseeing our Group's regional business operations, business development and day-to-day management. In addition, he is also the key person for several MYEG's subsidiaries, such as MYEGFT, MYEG Trade Sdn Bhd, Car X Services Sdn Bhd, and MY E.G. Alternative Payment Services Sdn Bhd. He was made the Chief Executive Officer of MYEGFT in 2016 at the incorporation of MYEGFT, a position he holds until today.

Mr Wong is the brother of Mr Wong Thean Soon, who is our Director and major Shareholder.

In addition to the key management personnel mentioned above, as at the LPD, our Group has an existing team of 29 employees, responsible for supporting the key management personnel in Financial Services. The breakdown of the existing Financial Services team (other than the key management personnel) by their position is set out below:-

Position	No. of employees
Operation	5
Leasing	2
Administration	5
Credit Control	7
Hire Purchase	10
Total	29

Our senior management responsible for Financial Services, other than the abovementioned key management personnel are set out below:-

- i. **Mr Chong Chien Ming ("Mr Chong")**, a Malaysian aged 46, is the Chief Financial Officer of MYEG and MYEGFT. He is responsible for overseeing the long-term business expansion and strategic planning of Financial Services with the Board and overseeing day-to-day operations of MYEGFT.

Mr Chong obtained a Bachelor Degree in Accounting from Universiti Putra Malaysia in 1998. He began his career in 1998 as an Internal Audit Executive for MBF Management Services Sdn Bhd where he was responsible for overseeing internal controls and risk management functions before joining Peremba Development Sdn Bhd as a Finance Executive in 2000, where he was primarily responsible for financial planning and reporting. In 2002, he joined Aeon Credit Service (M) Sdn Bhd as an Assistant Finance Manager, overseeing the financial reporting of credit accounts and preparation of internal financial reports. He joined MYEG in 2003 as a Financial Controller, mainly in charge of managing all finance and account operations as well as preparing monthly financial statements, before being promoted to Chief Financial Officer in 2015, a position he holds until today. As Chief Financial Officer of MYEG he is responsible for overall financial management of our Group, including overseeing our Group's financial performance and necessary financial reporting.

- ii. **Mr Muhammad Fazrul Bin Abdul Aziz ("Mr Fazrul")**, a Malaysian aged 30, is the Head of Operation of MYEGFT. He is responsible for overseeing the day-to-day operations which include developing new products and marketing strategies and stakeholder management.

He obtained a Diploma in Mass Communication from Universiti Selangor in 2010. He started his career in 2010 as Ground Operation Officer for Firefly Airlines and was responsible for managing in-bound and out-bound passengers. In 2011, he joined CIMB Sdn Bhd as a Sales Executive, where his primary duties involved executing foreign exchange remittance and transactions. In 2014, he joined Bank Islam Malaysia Berhad as a Sales Supervisor, mainly responsible for the sale banking products and preparing management/ sales reports. In 2016, he joined E-Globex Sdn Bhd as an Assistant Chief Cashier before joining BFC Exchange Sdn Bhd as an Assistant Manager (Operations) in 2017, where he was primarily responsible for cash management, carrying out day-to-day financing operations and preparing and reviewing operation reports. In 2019, Mr Fazrul joined MYEGFT as Operation Manager before being promoted to Head of Operation.

- iii. **Mr Muhammad Akram Bin Koyappa ("Mr Akram")**, a Malaysian aged 33, is the Head of Credit Control of MYEGFT. He is responsible for managing client credit accounts and monitoring debt collections.

He obtained a Diploma in Banking and Finance from Ungku Omar Polytechnic, Ipoh in 2008 and began his career in Telekom Malaysia as a Customer Service Officer. In 2011, he joined Dell Malaysia in a similar capacity before joining MYEGFT. In 2017, Mr Akram joined MYEGFT as Credit Control Officer. He was promoted to Head of Credit Control subsequently after accruing several years of experience.

- iv. **Mr Muhammad Haniff Bin Rosli ("Mr Haniff")**, a Malaysian aged 26, is the Head of Vehicle Inspection of MYEGFT. He is responsible for overseeing vehicle inspections and preparing inspection reports in relation to the provision of auto financing services.

Mr Haniff obtained a Diploma of Automotive Engineering from University Sultan Azlan Shah Polytechnic in 2014. In 2014, he started his career as a Vehicle Examiner for Puspakom Sdn Bhd, where his primary responsibilities included performing vehicle inspections and preparing inspection reports. In 2016, he joined MYEGFT as Head of Vehicle Inspection, a position he holds until today.

Our Board and management are currently hiring additional qualified personnel with sufficient skills and experience to support Financial Services, in view of the recent increase in existing volume of auto financing and hire purchase applications received by our Group and in preparation for the submission of the application for a digital bank licence, which the guidelines for this application will be announced by the Government in the near future.

At this juncture, we intend to hire a total of 9 additional qualified personnel in the following positions:-

Position	No. of employees
Operation	2
Leasing	1
Administration	1
Credit Control	2
Hire Purchase	3
Total	9

Should the Proposed Diversification require any substantial capital expenditure and/ or working capital, the Board envisage that it will be funded via internally generated funds and/ or bank borrowings, the breakdown of which is yet to be determined at this juncture.

5. UTILISATION OF PROCEEDS

No proceeds will be raised from the Proposed Diversification.

The actual amount of proceeds to be retained/ raised from the Proposed DRP and Proposed ESOS will depend on the extent of the election by Shareholders on their Reinvestment Option, and the number of ESOS Options granted and exercised at the relevant point of time and the exercise price payable upon the exercise of the ESOS Options, respectively.

The proceeds to be retained/ raised from the Proposed DRP and Proposed ESOS will be utilised for the working capital requirements of our Group, as and when retained/ received. Thus, the exact timeframe for utilisation of such proceeds is not determinable at this juncture.

The proceeds for working capital will be utilised to finance our Group's day-to-day operations, amongst others, repayment to trade creditors as well as general expenses such as but not limited to staff costs, office rental costs and utilities. Notwithstanding the foregoing, a detailed breakdown of each component of the working capital requirements of our Group cannot be determined at this juncture as there is no certainty in the timing and amount to be retained/raised from the Proposed DRP and Proposed ESOS. The estimated expenses in relation to the Proposals are approximately RM285,000.

6. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSALS

6.1 Proposed DRP

The Proposed DRP is intended to:-

- i. provide an opportunity for Shareholders to exercise the Electable Portion into new MYEG Shares in lieu of receiving cash under the Proposed DRP. Shareholders are expected to benefit from their participation in the Proposed DRP as the new MYEG Shares may be issued at a discount. Further, their subscription of such new MYEG Shares will be free from any brokerage fees and other related transaction costs (unless otherwise provided by any statute, law or regulation);
- ii. provide us with flexibility in managing our capital position as well as strengthen our capital position as any cash retained within MYEG that would otherwise be made payable by way of Dividend, will be preserved to fund the working capital requirements of our Group; and
- iii. potentially improve the liquidity of MYEG Shares currently listed on the Main Market of Bursa Securities through the issuance of new MYEG Shares pursuant to the Proposed DRP resulting in an enlarged share capital base.

Nonetheless, Shareholders will not be worse off as a result of the implementation of the Proposed DRP as those who elect not to exercise the Reinvestment Option will receive the Dividends in cash.

6.2 Proposed ESOS

The Proposed ESOS is expected to achieve the following objectives:-

- i. to recognise and reward the Eligible Persons by giving recognition to their contributions and services that are considered vital to the operations, hence motivating employee performance to create sustainable growth and profitability for our Group;
- ii. to retain, motivate and reward the Eligible Persons by allowing them to participate in our Group's profitability and eventually realise the value of MYEG Shares upon disposal;
- iii. to align the interests of Eligible Persons with that of Shareholders' through the achievement of our Group's objectives and plans;
- iv. to attract prospective employees with relevant skills and experience to our Group by making compensation packages offered more competitive; and
- v. to foster and reinforce the Eligible Persons' loyalty and sense of belonging to our Group by enabling them to participate directly in our equity, thereby incentivising the Eligible Persons to contribute more actively to the operations and future growth and success of our Group.

The Proposed ESOS is also extended to non-executive Directors of our Group in recognition of their contributions towards the growth and performance of our Group.

6.3 Proposed Diversification

As set out in Section 4.1 of this Circular, our Group is principally engaged in the development and implementation of electronic government services projects, and the provision of other related services for electronic government services projects as well as other commercial services in Malaysia.

It is our Board's intention to expand our Group's existing services/ product offerings by leveraging on our Group's branding, online platforms/ channels and user base. The provision of auto financing services and personal and business financing is expected to create additional value to our Group's user base and improve users' overall experience in terms of convenience and access to financing, which in turn may grow our Group's revenue in the medium-to-long term.

In addition, the introduction of digital banking services (subject to obtaining the necessary approvals) is expected to complement and enhance the services/ product offerings under Financial Services and ultimately, provide a total and comprehensive range of services/ product offerings to increase engagement with existing users as well as to entice new users to adopt our Group's services/ product offerings. Our Group's target market for digital banking services will include amongst others, our existing users, vendors and contractors, foreign workers as well as the younger population who are expected to be more receptive to the convenience of digital services.

It is anticipated that our Group's revenue from Financial Services will further grow and improve as we work towards introducing more services/ product offerings and Financial Services may potentially contribute 25% or more of the net profits of our Group or cause a diversion of 25% or more of the NA of our Group moving forward.

Our Board is of the opinion that the Proposed Diversification provides an opportunity for our Group to broaden our sources of income by leveraging on our Group's existing branding, online platforms/ channels and user base and Financial Services will complement our Group's existing services/ product offerings.

7. INDUSTRY OVERVIEW, OUTLOOK AND PROSPECTS OF THE PROPOSED DIVERSIFICATION

7.1 Overview and outlook of the Malaysian economy

The Malaysian economy expanded by 4.3% in 2019. In 2019, domestic demand remained the key driver of growth in the Malaysian economy, mainly supported by an expansion in private sector spending amid weaker public sector expenditure. On the external front, net exports lent some support to growth, despite a decline in real exports and imports against a backdrop of subdued global trade performance.

Private consumption continued to record a strong growth of 7.6% in 2019, which was well above its long-term average over 2011 to 2018 of 7.0%. This was driven by supportive labour market conditions and selected Government measures amid a modest inflation environment. Households also continued to sustain spending, particularly on necessities. Gross fixed capital formation registered a contraction of 2.1% in 2019, reflecting slower capital spending by the private sector and a decline in public investment. By type of asset, lower capital spending in structures of -0.6% in 2019 and machinery and equipment of -5.4% in 2019 weighed on the overall growth performance.

Private investment expanded at a slower pace of 1.5%. The heightened uncertainty surrounding global trade tensions affected business sentiments of both domestic and export-oriented firms. Similarly, domestic policy uncertainty arising from the review of infrastructure projects also dampened overall sentiments. The continued weakness in the domestic residential and non-residential property market had also contributed towards the modest investment performance.

However, investment was supported by the implementation of new and ongoing projects in both the manufacturing and services sectors. In particular, capacity expansions in the manufacturing sector were evident in the resource-based and electrical and electronics industries, while in the services sector, investments benefitted from sustained capital spending in the transport and healthcare services subsectors. Investment intentions also remained positive as reflected by the encouraging investment approvals during the year.

Public investment declined by 10.8%, due mainly to the completion of large-scale projects by public corporations. The continued rationalisation efforts by the Government, as reflected by the ongoing review of several large-scale infrastructure projects had also contributed to lower spending by public corporations. Nevertheless, capital expenditure remained supported by Federal Government spending, particularly in the education and housing sectors. Public consumption expanded at a moderate pace of 2.0%, as continued growth in emoluments was weighed down by lower Government spending on supplies and services. This is in line with the Government's commitment to optimise expenditure without affecting the delivery of public services.

(Source: Economic, Monetary and Financial Developments in 2019, Economic and Monetary Review 2019, Bank Negara Malaysia)

Against a highly challenging global economic outlook, Malaysia's gross domestic product growth is projected to be between -2.0 to 0.5% in 2020 (2019: 4.3%). The domestic economy will be impacted by the necessary global and domestic actions taken to contain the COVID-19 outbreak. Of significance, tourism-related sectors are expected to be affected by broad-based travel restrictions and travel risk aversion, while production disruptions in the global supply chain will weigh on the manufacturing sector and exports. The implementation and subsequent extension of the Movement Control Order ("**MCO**"), while critical, will dampen economic activity following the suspension of operations by non-essential service providers and lower operating capacity of manufacturing firms. Beyond the MCO period, reduced social and recreational activities until the pandemic is fully controlled globally and domestically will continue to dampen consumption and investment activity. Apart from the pandemic, the domestic economy will also be affected by the sharp decline and volatile shifts in crude oil prices and continued supply disruption in the commodities sector. Unfavourable weather conditions and maintenance works will weigh on the production of oil palm, crude oil and natural gas.

Given the significant headwinds to growth arising from COVID-19, the Government and BNM have introduced large countercyclical policy measures to mitigate the economic impact of the pandemic. Two economic stimulus packages amounting to RM250 billion were introduced to provide immediate relief to affected households and businesses. These packages also include loan guarantees and an automatic 6-month moratorium on loan repayments for individuals and small and medium enterprises ("**SME**"). The economic stimulus measures were complemented by two consecutive Overnight Policy Rate ("**OPR**") reductions early this year and measures to provide additional liquidity in the banking system.

Private consumption is expected to be dampened by weak labour market conditions, mobility restrictions and subdued sentiments. Nonetheless, policy measures introduced in the two economic stimulus packages, including cash transfers to vulnerable households, flexibility to withdraw from Employees Provident Fund savings and the moratorium on loan repayments will increase disposable income and improve cash flow for households. In addition to supporting household spending, these broad-based measures will facilitate a gradual recovery in private consumption as labour market conditions eventually stabilise following the projected improvement in global and domestic economic activities.

Domestic growth prospects are expected to improve towards the end of the year, in line with the projected recovery in global demand and amid continued support from policy measures. Recovering external demand will lift growth in the export-oriented sectors. Consumer sentiments are also expected to gradually improve following the easing of travel restrictions and resumption of tourism activities as risks from the pandemic subside. In addition, the anticipated recovery from supply disruptions in the commodities sector and higher public sector expenditure will support the gradual improvement in the Malaysian economy in the latter part of the year. Public sector spending will be underpinned by the continuation of large-scale transport-related projects by public corporations and the implementation of more small-scale projects worth RM4 billion by the Federal Government.

Overall risks to the domestic growth outlook are tilted to the downside, mainly due to the risk of a prolonged and wider spread of COVID-19 and its effects on the global and domestic economy. Domestic growth also remains susceptible to a recurrence of commodities supply shocks and continued low commodity prices which could pose additional risks to production in the commodities sector, exports and income growth. In addition, heightened financial market volatility due to ongoing external uncertainties may lead to tighter domestic financial market conditions. The baseline growth projection could, however, be lifted by a stronger-than-expected impact from the various stimulus measures by the Federal Government and additional measures implemented by several state governments.

Headline inflation is forecasted to average within the range of -1.5 to 0.5% in 2020 (2019: 0.7%), mainly reflecting significantly lower global oil and commodity prices. Without the direct downward impact from lower global oil prices, underlying inflation, as measured by core inflation, is projected to remain positive, averaging between 0.8 to 1.3% (2019: 1.5%). This reflects subdued demand pressures, expectations for a negative output gap this year, as well as weak labour market conditions.

(Source: Executive Summary, Economic and Monetary Review 2019, Bank Negara Malaysia)

7.2 Overview and outlook of the loan market in Malaysia

The OPR was reduced by 25 basis points to 3.00% at the May 2019 meeting, to ensure a conducive monetary environment for a steady growth path amid low inflation. In the Monetary Policy Committee's ("MPC") assessment, downside risks to Malaysia's growth prospects had increased, mainly stemming from external factors. At the same time, heightened uncertainties in the domestic environment, the risk of extended weakness in commodity-related sectors and some signs of tightening in financial conditions factored into the MPC's considerations. Therefore, the OPR reduction was intended to preserve the degree of monetary accommodativeness, thus ensuring that monetary policy remained conducive for continued growth and price stability. The MPC was also mindful that measures beyond monetary policy such as structural reforms would be pertinent to raise potential growth.

The policy rate reduction had the intended impact on lending rates in the economy, as the wholesale and retail interest rates subsequently declined. The pass-through to the interbank market was strong and immediate, as the Kuala Lumpur Interbank Offered Rate declined by 23 – 25 basis points across tenures within a day of the OPR reduction. In the retail segment, all banks also revised downward their respective base rates by 25 basis points, resulting in a lower weighted average base rate of 3.68% as at end of 2019. Lending rates as indicated by the weighted average lending rate on outstanding loans gradually trended downwards to the end of 2019 at 5.16%. The overall transmission to lending rates was strong given the high share of floating-rate loans in the banking system (about 75%), strong market competition, and the decline in banks' cost of funds.

Nevertheless, financing to the private sector moderated in line with economic activity, mainly weighed down by cautious borrowing sentiments during 2019. This was reflected in net financing growth, which expanded by 5.0%, where outstanding loans grew by 4.0% while growth in outstanding corporate bonds was sustained at 8.0%. The demand-driven moderation in loan growth was more pronounced in the business segment, further compounded by high loan repayment trends and cautious lending by banks to selected sectors experiencing weakness. The bond market also lacked impetus amid the review in large infrastructure projects, despite a lower yield environment. However, following the OPR reduction in May 2019, demand for loans improved, with applications increasing for both business and household loans. This, in turn, translated into some improvement in loan growth, particularly in the business segment, towards the end of 2019.

Financing supply conditions were continuously monitored by BNM to ensure lending remained supportive of economic activity, supplemented by ongoing and new measures to enhance the financing ecosystem. Relatively stable funding and liquidity conditions for banks continued to facilitate credit intermediation, with no significant changes in overall loan granting criteria reported by banks. Stable loan approval rates and loan disbursements at levels comparable to recent averages indicated there had not been a general reduction in credit available to borrowers, including SME. For instance, about three out of four housing and SME loans continued to be approved in 2019. Supportive home ownership initiatives such as the Home Ownership Campaign which was launched in 2019, and financing schemes for first-time home buyers including BNM's Affordable Home Fund, also provided further impetus to housing loans. More broadly, a variety of direct funds, financing guarantee, debt restructuring, financial advisory and capacity building programmes for homebuyers and SME have been put in place over the years to improve access to financing for the underserved segments and to promote a more holistic financing ecosystem.

(Source: Economic, Monetary and Financial Developments in 2019, Economic and Monetary Review 2019, Bank Negara Malaysia)

In the first quarter of 2020, net financing expanded at a sustained pace of 4.7% on an annual basis, supported by higher growth in outstanding loans of 3.8%. Growth in outstanding corporate bonds moderated to 7.6% during the quarter. Corporate bond issuances were lower, amid seasonally slow issuance in January and a sharp increase in yields in March following the escalation of COVID-19. Growth in outstanding business loans increased to 3.4%, contributed mainly by the electricity, gas and water, and education, health and others sectors. Disbursements significantly outpaced repayments in these sectors. For the household segment, growth in outstanding loans moderated to 3.8%; mainly due to high repayments on loans for the purchase of securities. Demand for business financing, as indicated by loan applications, slowed during the quarter, mainly in the primary agriculture and manufacturing sectors. However, loan applications for working capital increased to levels significantly higher than recent average. Demand for household loans was also lower, particularly for housing loans, amid the expiration of the Home Ownership Campaign in 2019, and the MCO in mid-March.

(Source: Monetary and Financial Developments, Economic and Financial Developments in the Malaysian Economy in the First Quarter of 2020, Bank Negara Malaysia)

At each of the January and March 2020 MPC meetings, the OPR was reduced by 25 basis points. More recently, at the May 2020 MPC meeting, the OPR was further reduced by 50 basis points to 2.00%. The ceiling and floor rates of the corridor for the OPR were correspondingly reduced to 2.25% and 1.75%, respectively. In total, the OPR has been reduced by 100 basis points this year.

BNM adjusted the Statutory Reserve Requirement ("**SRR**") ratio as part of BNM's continuous efforts to ensure sufficient liquidity to support financial intermediation activity. On 19 March 2020, BNM announced that the SRR ratio will be lowered by 100 basis points from 3.00% to 2.00% effective 20 March 2020.

In addition to the SRR ratio reduction, each principal dealer is also able to recognise Malaysian Government Securities ("**MGS**") and Malaysian Government Investment Issues ("**MGII**") of up to RM1 billion as part of the SRR compliance. This flexibility to the principal dealers is available until 31 March 2021. These combined measures will release approximately RM30 billion worth of liquidity into the banking system. On 5 May 2020, BNM announced that MGS and MGII can be used by all banking institutions to fully meet the SRR compliance effective 16 May 2020. This flexibility to the banking institutions is available until 31 May 2021. This measure will release approximately another RM16 billion worth of liquidity into the banking system.

BNM's Fund for SMEs ("**Fund**") was mobilised and bolstered to provide immediate relief for Malaysian SMEs to withstand the economic fallout from the pandemic. The Fund, totalling RM13.1 billion, includes three new facilities which are:

- Special Relief Facility to help alleviate the short-term cash flow problems faced by affected SMEs;
- Agrofood Facility to increase food production for both domestic consumption and exports; and
- Automation and Digitalisation Facility to incentivise SMEs to automate processes and digitalise operations to increase productivity.

BNM also reduced the maximum financing rates charged to SMEs.

(Source: The Bank's Policy Considerations, Economic and Financial Developments in the Malaysian Economy in the First Quarter of 2020, Bank Negara Malaysia)

At its meeting on 7 July 2020, the MPC decided to reduce the OPR by 25 basis points to 1.75%. The ceiling and floor rates of the corridor of the OPR are correspondingly reduced to 2.00% and 1.50%, respectively.

(Source: Monetary Policy Statement, Bank Negara Malaysia Press Release dated 7 July 2020)

7.3 Prospects of the Proposed Diversification

The Proposed Diversification will allow our Group to continue to expand our services/ product offerings to our user base and generate additional revenue to our Group. In addition, a more comprehensive range of services/ product offerings to be provided under Financial Services will enable our Group to increase engagement with and better serve the needs of our existing users while potentially attracting new users to our services/ product offerings, thus growing our Group's user base.

Our Group already has established online platforms and channels and has been at the forefront of technological transformation. The Proposed Diversification is expected to further enhance the value of services/ product offerings provided to our users and generate synergistic benefits arising from any cross platform selling of our Group's services/ product offerings to our users.

Premised on the above and in view of the outlook of the loan market in Malaysia as set out in Section 7.2 of this Circular, barring any unforeseen circumstances, our Board is cautiously optimistic about our Group's future prospects for Financial Services.

8. RISK FACTORS

As our Group has already commenced operations in Financial Services, it is already exposed to risks inherent in the financial services industry. Nevertheless, for Shareholders' information, the risks inherent to our Group's Financial Services, include, but are not limited to, the following:-

8.1 Credit risk

Our Group will face credit risk which may have a material effect on our Group's financial results arising from some of the unsecured lending and potential default by borrowers in making their repayments. Such risk could arise due to an adverse impact on the credit quality of borrowers or an adverse change in the local and/ or global economy conditions.

Notwithstanding that, our Group will carry out comprehensive credit assessment in line with our Group's internal credit policy to evaluate the creditworthiness of our applicants and has established specific criteria for applicants to meet before the disbursement of any funds. Our Group has also put in place internal policies to monitor the collection from borrowers and minimise default risks. However, there can be no assurance that our Group may be able to successfully mitigate such credit risks arising from Financial Services.

8.2 Business risk

Our Group's business is subject to risks inherent in the financial services industry. These include but not limited to, the aforementioned credit risk of our borrowers potentially defaulting on their repayments, adverse changes in licensing requirements, adverse changes to economic conditions, attempts by criminal parties to launder money and/ or finance illegal activities, fluctuations in interest rates, downturns in the global, regional and/ or national economies, changes in law and tax regulations, unfavourable foreign exchange rates, and adverse changes in business and credit conditions.

Notwithstanding that, we conduct a periodic review of our business and operations and also adopt prudent financial management and efficient operating procedures to limit the impact of the aforementioned risks. However, there can be no assurance that our Group may be able to successfully mitigate the various risks inherent in the financial services industry, and if unable to do so, the business operation and financial performance of our Group may be adversely affected.

8.3 Competition risk

Our Group faces competition from existing competitors and/ or new entrants operating in similar business relating to Financial Services. Nevertheless, our Group will continue to take proactive measures to remain competitive in this business by amongst others, constantly keeping abreast with the latest market conditions, and continuing efforts in maintaining a competitive edge in terms of cost efficiency, service quality, product quality and reliability.

However, there can be no assurance that our Group will be able to compete effectively with existing and new entrants in similar business relating to Financial Services in the future which may materially affect our Group's financial performance.

8.4 Dependency on key management personnel

As in any other business, our Group's success in the Proposed Diversification depends largely on the capabilities, skills, competencies and continued effort of our experienced personnel. Recognising the importance of the key management personnel involved, our Group will adopt appropriate approaches, including incentives, remuneration packages as well as provide a good working environment to promote productivity and retain their services. In addition, our Group will also identify high-performing senior management and/ or employees to take on additional responsibilities and provide appropriate remuneration packages to retain their services in an effort to mitigate our Group's dependency on key management personnel. However, there is no assurance that the loss of any such key management personnel, high-performing senior management and/ or employees will not adversely affect our Group's ability to succeed and compete in the Proposed Diversification.

8.5 Political, economic and regulatory risk

With the participation of our Group in Financial Services, our business, prospects, financial condition and level of profitability are subject, to a certain extent, the developments in the economic, political and regulatory environment of Malaysia. Such risks include, economic uncertainties, changes in rules and regulations particularly those governing the financial services industry, changes in interest rate policies, unfavourable monetary and fiscal policy, changes in political leadership and changes in tax laws. Notwithstanding that, our Group will constantly keep abreast with the political, economic and regulatory developments through various media, events and/ or seminars, and may also engage in discussion or meeting with the relevant stakeholders to evaluate, introduce and/ or undertake measures with the aim of mitigating impact of the aforementioned risks. However, there can be no assurance that any adverse development in the economic, political and regulatory environment in Malaysia will not have any material adverse effect on the business operation and financial performance of our Group.

8.6 Impact of COVID-19 on the business and operations of our Group

The World Health Organisation had on 11 March 2020 declared the COVID-19 outbreak as a global pandemic and subsequently on 16 March 2020, our Government had announced that the MCO would be enforced nationwide to contain the COVID-19 outbreak pursuant to the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967. The chronology of events pertaining to the MCO is summarised as follows:-

Date	Events
16 March 2020	<ul style="list-style-type: none">The Prime Minister of Malaysia ("Prime Minister") announced that the MCO would be enforced from 18 March 2020 to 31 March 2020 throughout Malaysia
25 March 2020	<ul style="list-style-type: none">The Prime Minister announced the extension of MCO period by another 2 weeks with effect from 1 April 2020 to 14 April 2020
10 April 2020	<ul style="list-style-type: none">The Prime Minister announced a further extension of MCO period by another 2 weeks with effect from 15 April 2020 to 28 April 2020
23 April 2020	<ul style="list-style-type: none">The Prime Minister announced a further extension of MCO period by another 2 weeks with effect from 29 April 2020 to 12 May 2020 ("MCO Phase 4")
1 May 2020	<ul style="list-style-type: none">The Prime Minister announced the conditional MCO ("CMCO"), which was a relaxation of regulations regarding MCO Phase 4 and started from 4 May 2020, whereby nearly all economic sectors and business activities would be allowed to operate, subject to compliance with the standard operating procedures issued by the National Security Council of Malaysia

Date	Events
10 May 2020	<ul style="list-style-type: none"> The Prime Minister announced an extension of the CMCO period by another 4 weeks with effect from 12 May 2020 to 9 June 2020
7 June 2020	<ul style="list-style-type: none"> The Prime Minister announced that the CMCO would end on 9 June 2020 and Malaysia would enter the Recovery MCO ("RMCO") phase between 10 June 2020 and 31 August 2020. During the RMCO phase, almost all social, religious, business and educational activities are allowed to resume in stages under strict standard operating procedures.

The MCO involved the closure of all government and private premises except those involved in the provision of essential services (*such as water, electricity, energy, telecommunications, post, transportation, irrigation, oil, gas fuel, lubricants, broadcasting, finance, banking, health, pharmacy, fire prevention, prisons, ports, airports, security, defense, cleaning, food supply and retail*). Accordingly, our business premises have been partially operating during the MCO, CMCO and RMCO periods, with certain departments implementing work-from-home policies to abide with regulations and minimise interruptions to our Group's operations.

The impact of the unprecedented COVID-19 outbreak on our Group's operations and business remains uncertain, in view that the circumstances of the COVID-19 outbreak are fluid and uncertain. However, the continued spread of COVID-19 and the imposition of related public health measures and travel and business restrictions may adversely impact our Group's operations and financial performance.

As such, our Board will continue to monitor the COVID-19 outbreak and shall endeavour, to the extent possible, to review and adjust our Group's policies, where appropriate, to mitigate the impact of COVID-19 on our Group's operations and financial performance. In view of the above, since the implementation of the MCO, we have taken precautionary actions against the transmission of COVID-19, including body temperature reading and record-keeping of employees and visitors entering our business premises, daily sanitisation at our business premises and home-quarantine for employees who have had close contact with suspected or confirmed COVID-19 cases, if any. However, there can be no assurance that the continuation of COVID-19, which is an event of force majeure beyond the control of our Group, will not adversely impact our Group's operations and financial performance.

9. EFFECTS OF THE PROPOSALS

The Proposed Diversification will not have any impact on the issued share capital, NA and gearing as well as the substantial Shareholders' shareholdings of our Group as there is no issuance of MYEG Shares involved.

The pro forma effects of the Proposed DRP are dependent on several factors including, amongst others:-

- i. the quantum of the Dividend;
- ii. our Board's decision on the Electable Portion;
- iii. the number of Shareholders who elect to exercise the Reinvestment Option and the extent of their election;
- iv. the Issue Price; and
- v. any necessary downward adjustment by our Board to the final number of new MYEG Shares to be allotted and issued to any Shareholders as referred to in Section 2.11 of this Circular.

As at the LPD, the total issued share capital of MYEG was RM360,630,599 comprising 3,606,305,993 MYEG Shares (including 152,104,400 treasury shares). For illustrative purposes only, throughout Section 9 of this Circular, the effects of the Proposed DRP shall be based on the assumption that all Shareholders elect to exercise their Reinvestment Option in new MYEG Shares pursuant to the First DRP, under the Minimum Scenario and Maximum Scenario.

Strictly for illustrative purposes only, as at the LPD, the illustrative number of new MYEG Shares that we could potentially allot and issue under the First DRP is as follows:-

		Minimum Scenario	Maximum Scenario
Issued share capital as at the LPD (units)		3,606,305,993	3,606,305,993
Allotment and issuance of Consideration Shares		12,500,000	12,500,000
Less: Treasury shares (units)		(152,104,400)	-
	A	3,466,701,593	3,618,805,993
2019 Proposed Final Dividend per MYEG Share (RM)	B	0.02	0.02
Dividend payout (RM)	C = A x B	69,334,032	72,376,120
Indicative Issue Price ^{*1} (RM)	D	1.27	1.27
Indicative number of new MYEG Shares to be issued ^{*2}	E = C / D	54,593,725	56,989,070
Enlarged issued share capital (units)	F = A + E	3,521,295,318	3,675,795,063
Percentage of enlarged issued share capital (%)	E / F	1.55	1.55

Notes:-

^{*1} Calculated based on the 5-day VWAP of MYEG Shares up to and including the LPD of RM1.43, and thereafter deducting the 2019 Proposed Final Dividend of RM0.02 per MYEG Share and also applying a discount of approximately 9.93%

^{*2} The actual number of new MYEG Shares to be issued pursuant to the First DRP would be dependent upon the actual Issue Price to be fixed at a later date after obtaining the approval of Shareholders for the establishment of the Proposed DRP and issuance of new MYEG Shares pursuant to the Proposed DRP. Notwithstanding the above, the 2019 Proposed Final Dividend is subject to the approval of the Shareholders at the forthcoming 19th AGM.

9.1 Issued share capital

The Proposed DRP will not have any immediate effect on the issued share capital of MYEG until such time when new MYEG Shares are issued pursuant to the exercise by Shareholders of the Reinvestment Option when the Reinvestment Option is first made available by our Board. In addition, the issued share capital of MYEG will increase progressively pursuant to any exercise by Shareholders of the Reinvestment Option whenever the Reinvestment Option is made available by our Board.

The Proposed ESOS will also not have an immediate effect on the issued share capital of MYEG until such time when new MYEG Shares are issued pursuant to the exercise of the ESOS Options. The issued share capital of MYEG will increase progressively depending on the number of new MYEG Shares that are issued pursuant to the exercise of the ESOS Options. However, should the ESOS Options be satisfied via transfer of MYEG's treasury shares (if any), there will be no effect on the issued share capital of MYEG.

The pro forma effects of the Proposed DRP and Proposed ESOS on the issued share capital of MYEG are set out below:-

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM	No. of Shares	RM
MYEG's issued share capital as at the LPD	3,606,305,993	360,630,599	3,606,305,993	360,630,599
Allotment and issuance of Consideration Shares	12,500,000	15,000,000	12,500,000	15,000,000
Less: Treasury shares	(152,104,400)	(156,983,587)	-	-
	3,466,701,593	218,647,012	3,618,805,993	375,630,599
New MYEG Shares to be issued pursuant to the Proposed DRP and 2019 Proposed Final Dividend	54,593,725	69,334,032 ^{*1}	56,989,070	72,376,120 ^{*1}
	3,521,295,318	287,981,044	3,675,795,063	448,006,719
Assuming full exercise of the ESOS Options	352,129,531 ^{*2}	454,247,095 ^{*3}	367,579,506 ^{*2}	474,177,563 ^{*3}
Enlarged issued share capital	3,873,424,849	742,228,139	4,043,374,569	922,184,282

Notes:-

^{*1} Calculated based on the indicative Issue Price of RM1.27 per new MYEG Share

^{*2} Assuming the maximum grant and full exercise of the ESOS Options of up to 10% of the number of issued MYEG Shares (excluding treasury shares, if any) pursuant to the Proposed ESOS

^{*3} Assuming the ESOS Options are exercised into new MYEG Shares at the indicative exercise price of RM1.29 per new MYEG Share, which represents a discount of approximately 9.79% to the 5-day VWAP of MYEG Shares up to and including the LPD of RM1.43 per MYEG Share

9.2 NA per Share and gearing level

The Proposed DRP will not have any immediate effect on the NA per Share and gearing level of our Group until such time when the Reinvestment Option under the First DRP are exercised by Shareholders. In any event, the NA per Share of our Group will not be higher than the pre-dividend payout position.

In the event none of the Shareholders elect to exercise their Reinvestment Option, the amount of Dividend(s) declared would be paid out entirely in cash resulting in a corresponding decrease in our retained earnings. On the other hand, if all Shareholders elect to exercise their Reinvestment Option, the amount of Dividend(s) declared will be reinvested for new MYEG Shares at the Issue Price and any decrease in retained earnings will result in a corresponding increase in our issued share capital.

As compared with paying Dividend(s) wholly in cash, the exercise of the Reinvestment Option under the Proposed DRP by Shareholders will result in lower reduction of our NA as any decrease in retained earnings will result in a corresponding increase in our issued share capital. Hence, our Group's gearing level is not expected to increase when the Reinvestment Option is exercised as our NA base remains the same. However, any increase in our Group's gearing level will depend on the extent to which Shareholders elect to exercise the Reinvestment Option.

Based on the latest audited consolidated financial statements of MYEG as at 31 December 2019, the pro forma effects of the Proposed DRP on the NA per Share and gearing of our Group are set out below:-

Minimum Scenario

		I	II	III
	Audited as at 31 December 2019 RM'000	Subsequent adjustments up to the LPD RM'000	After I and the allotment and issuance of Consideration Shares RM'000	After II and the Proposed DRP and 2019 Proposed Final Dividend RM'000
Share capital	360,630	360,630	375,630 ^{*2}	444,964 ^{*3}
Treasury shares	(144,743)	(156,984) ^{*1}	(156,984)	(156,984)
Reserves	497,045	497,045	497,045	427,426 ^{*4}
Shareholders' funds/ NA	712,932	700,691	715,691	715,406
No. of Shares in issue (excluding treasury shares)	3,466,140,893	3,454,201,593 ^{*1}	3,466,701,593	3,521,295,318
NA per Share (RM)	0.21	0.20	0.21	0.20
Total borrowings	185,697	185,697	185,697	185,697
Gearing ratio (times)	0.26	0.27	0.26	0.26

Notes:-

- ^{*1} A total of 11,939,300 Shares were bought back by MYEG and retained as treasury shares
- ^{*2} After the issuance of 12,500,000 Consideration Shares at the issue price of RM1.20 per Consideration Share
- ^{*3} Assuming 54,593,725 new MYEG Shares are issued at the indicative Issue Price of RM1.27 per new MYEG Share pursuant to the Proposed DRP and the 2019 Proposed Final Dividend under the Minimum Scenario
- ^{*4} After deducting estimated expenses of approximately RM285,000 in relation to the Proposals and recognising the 2019 Proposed Final Dividend amounting to RM69.33 million under the Minimum Scenario

Maximum Scenario

		I	II	III	IV
	Audited as at 31 December 2019 RM'000	Subsequent adjustments up to the LPD RM'000	After I and the allotment and issuance of Consideration Shares RM'000	After II and assuming all treasury shares are resold at cost RM'000	After III and the Proposed DRP and the 2019 Proposed Final Dividend RM'000
Share capital	360,630	360,630	375,630 ^{*2}	375,630	448,006 ^{*3}
Treasury shares	(144,743)	(156,984) ^{*1}	(156,984)	-	-
Reserves	497,045	497,045	497,045	497,045	424,384 ^{*4}
Shareholders' funds/ NA	712,932	700,691	715,691	872,675	872,390
No. of Shares in issue (excluding treasury shares)	3,466,140,893	3,454,201,593 ^{*1}	3,466,701,593	3,618,805,993	3,675,795,063
NA per Share (RM)	0.21	0.20	0.21	0.24	0.24
Total borrowings	185,697	185,697	185,697	185,697	185,697
Gearing ratio (times)	0.26	0.27	0.26	0.21	0.21

Notes:-

- ^{*1} A total of 11,939,300 Shares were bought back by MYEG and retained as treasury shares

- ^{*2} *After the issuance of 12,500,000 Consideration Shares at the issue price of RM1.20 per Consideration Share*
- ^{*3} *Assuming 56,989,070 new MYEG Shares are issued at the indicative Issue Price of RM1.27 per new MYEG Share pursuant to the Proposed DRP and the 2019 Proposed Final Dividend under the Maximum Scenario*
- ^{*4} *After deducting estimated expenses of approximately RM285,000 in relation to the Proposals and recognizing the 2019 Proposed Final Dividend amounting to RM72.38 million under the Maximum Scenario*

The Proposed ESOS is not expected to have any immediate effect on the NA per Share of our Group until such time when MYEG Shares are issued and/ or transferred via treasury shares pursuant to the exercise of the ESOS Options. The effects of the Proposed ESOS on our Group's NA would depend on factors such as the number of ESOS Options granted and the fair value of the ESOS Options after taking into account, amongst others, the exercise price of the ESOS Options as well as any vesting conditions. Whilst the granting of ESOS Options under the Proposed ESOS is expected to result in recognition of a charge in the statement of comprehensive income of our Group pursuant to the MFRS 2 as issued by the Malaysian Accounting Standards Board, the recognition of such MFRS 2 charge would not affect the NA of our Group as the corresponding amount will be classified as an equity compensation reserve which forms part of the shareholders' equity.

For further clarification, the fair value of the ESOS Options will be determined after taking into consideration, amongst others, the historical volatility of MYEG Shares, the risk-free rate, the exercise price of the ESOS Options and time to maturity of the ESOS Options from the vesting date of the ESOS Options.

If none of the granted ESOS Options are exercised within the duration of the Proposed ESOS, the amount outstanding in the said equity reserve would be transferred into MYEG's retained earnings. On the other hand, if the granted ESOS Options are exercised, the amount outstanding in the said equity reserve would be transferred into the share capital account of MYEG.

The NA per Share of our Group following the exercise of ESOS Options will increase if the exercise price of the ESOS Options exceeds the consolidated NA per Share at the point of exercise of the ESOS Options and conversely will decrease if the exercise price of the ESOS Options is below the consolidated NA per Share at the point of the exercise of the ESOS Options.

The Proposed ESOS is not expected to have an immediate effect on our Group's gearing level until such time when any ESOS Options granted are exercised. The effect on the gearing will depend on changes in the NA, which in turn is dependent on the actual number of MYEG Shares to be issued and/ or transferred via treasury shares as well as the exercise price of the ESOS Options payable upon the exercise of the ESOS Options.

9.3 Substantial shareholding structure

The Proposed DRP is not expected to have any immediate effect on our substantial Shareholders' shareholding until such time as and when the Reinvestment Option pursuant to the First DRP are exercised. The shareholding percentage of our substantial Shareholders will not be affected if all Shareholders fully exercise their respective Electable Portion. However, where our substantial Shareholders fully exercise their respective Electable Portion while some or all of the other Shareholders do not elect to reinvest their Electable Portion or elect to reinvest only part of their Electable Portion, the shareholding percentage of substantial Shareholders will increase; and vice versa.

The Proposed ESOS is not expected to have any immediate effect on the substantial Shareholders' shareholdings until such time when the MYEG Shares are issued and/ or transferred via treasury shares arising from the exercise of ESOS Options. Any potential effect on the substantial Shareholders' shareholdings will depend on the actual number of MYEG Shares to be issued and/ or transferred via treasury shares pursuant to the exercise of ESOS Options at the relevant point in time.

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The pro forma effects of the Proposed DRP and Proposed ESOS on our substantial Shareholders' shareholdings are set out below:-

Minimum Scenario

Substantial shareholders	I				II			
	Shareholdings as at the LPD		After the allotment and issuance of Consideration Shares		After I and the Proposed DRP and 2019 Proposed Final Dividend ^{*1}			
	<-----Direct----->	<-----Indirect----->	<-----Direct----->	<-----Indirect----->	<-----Direct----->	<-----Indirect----->	<-----Indirect----->	<-----Indirect----->
	No. of Shares	% No. of Shares	No. of Shares	% No. of Shares	No. of Shares	% No. of Shares	No. of Shares	%
Wong Thean Soon	362,939,130	10.51	714,428,577 ^{*2}	20.68	362,939,130	10.47	714,428,577 ^{*2}	20.61
AIH	714,428,577	20.68	-	-	714,428,577	20.61	-	-
EPF	240,535,800	6.96	-	-	240,535,800	6.94	-	-
KWAP	173,508,800	5.02	24,723,500 ^{*3}	0.72	173,508,800	5.01	24,723,500 ^{*3}	0.71

III

After II and the Proposed ESOS and assuming full exercise of the ESOS Options

Substantial shareholders	<-----Direct----->		<-----Indirect----->	
	No. of Shares	% No. of Shares	No. of Shares	%
Wong Thean Soon	403,867,659 ^{*4}	10.43	725,679,420 ^{*2}	18.73
AIH	725,679,420	18.73	-	-
EPF	244,323,765	6.31	-	-
KWAP	176,241,222	4.55	25,112,846 ^{*3}	0.65

Notes:-

- ^{*1} As set out in Section 9 of this Circular, assuming all Shareholders elect to participate in the Proposed DRP and choose to receive the 2019 Proposed Final Dividend wholly in new MYEG Shares
- ^{*2} Deemed interested by virtue of his substantial shareholdings in AIH pursuant to Section 8 of the Act
- ^{*3} Deemed interested via KWAP's fund manager
- ^{*4} For illustrative purposes only, assuming Wong Thean Soon's maximum allocation of 35,212,953 MYEG Shares made available for his ESOS Options under the Proposed ESOS, amounting to 10% of the total number of MYEG Shares to be made available under the Proposed ESOS, is fully exercised

Maximum Scenario

Substantial shareholders	I				II			
	Shareholdings as at the LPD		After the allotment and issuance of Consideration Shares		After I and assuming all treasury shares are resold at cost			
	<-----Direct----->	<-----Indirect----->	<-----Direct----->	<-----Indirect----->	<-----Direct----->	<-----Indirect----->	% No. of Shares	%
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Wong Thean Soon	362,939,130	10.51	714,428,577 ²	20.68	362,939,130	10.47	714,428,577 ²	20.61
AIH	714,428,577	20.68	-	-	714,428,577	20.61	-	-
EPF	240,535,800	6.96	-	-	240,535,800	6.94	-	-
KWAP	173,508,800	5.02	24,723,500 ³	0.72	173,508,800	5.01	24,723,500 ³	0.71
							173,508,800	4.79
							24,723,500 ³	0.68

III

After II and the Proposed DRP and 2019 Proposed Final Dividend¹

IV

After III and the Proposed ESOS and assuming full exercise of the ESOS Options

Substantial shareholders	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Wong Thean Soon	368,654,706	10.03	725,679,420 ²	19.74	405,412,656 ⁴	10.03	725,679,420 ²	17.95
AIH	725,679,420	19.74	-	-	725,679,420	17.95	-	-
EPF	244,323,765	6.65	-	-	244,323,765	6.04	-	-
KWAP	176,241,222	4.79	25,112,846 ³	0.68	176,241,222	4.36	25,112,846 ³	0.62

Notes:-

¹ As set out in Section 9 of this Circular, assuming all Shareholders elect to participate in the Proposed DRP and choose to receive the 2019 Proposed Final Dividend wholly in new MYEG Shares

² Deemed interested by virtue of his substantial shareholdings in AIH pursuant to Section 8 of the Act

³ Deemed interested via KWAP's fund manager

⁴ For illustrative purposes only, assuming Wong Thean Soon's maximum allocation of 36,757,950 MYEG Shares made available for his ESOS Options under the Proposed ESOS, amounting to 10% of the total number of MYEG Shares to be made available under the Proposed ESOS, is fully exercised

9.4 Earnings and EPS

9.4.1 Proposed DRP

The First DRP, which is expected to be completed by the third quarter of 2020, is not expected to have any material effect on the earnings of our Group for the FYE 31 December 2020. However, purely for illustrative purpose, assuming the net earnings of our Group remain unchanged, the EPS of our Group will be proportionally diluted in consequence to any issuance of new MYEG Shares from the Proposed DRP. The quantum of such impact cannot be reliably ascertained at this juncture as such impact on the earnings and EPS of our Group are dependent on the extent of Shareholders who elect to reinvest the Electable Portion in new MYEG Shares and the potential returns to be generated by our Group from utilisation of the cash proceeds retained from the Proposed DRP.

9.4.2 Proposed ESOS

The Proposed ESOS is not expected to have any material effect on the earnings of our Group for the FYE 31 December 2020, save for the possible impact of the MFRS 2 upon granting of the ESOS Options. However, any potential effect on the EPS of our Group in the future would depend on the impact of MFRS 2, the number and exercise price of the ESOS Options exercised as well as the utilisation of the proceeds arising therefrom.

Under the MFRS 2, the potential cost arising from the issuance of the ESOS Options, which is measured by the fair value of the ESOS Options after taking into account, amongst others, the number of ESOS Options granted and vested and the exercise price, will need to be measured at the grant date and to be recognised as an expense over the vesting period, and therefore may affect the future earnings of our Group, the quantum of which can only be determined at the grant date. However, the estimated cost does not represent a cash outflow by MYEG as it is merely an accounting treatment.

As set out in Section 9.2 of this Circular, the fair value of the ESOS Options will be determined after taking into consideration, amongst others, the historical volatility of MYEG Shares, the risk-free rate, the exercise price of the ESOS Options and time to maturity of the ESOS Options from the vesting date of the ESOS Options.

Nevertheless, we have 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 ESOS Options to the Eligible Persons.

Notwithstanding the above, the EPS of our Group may be diluted depending on the number of MYEG Shares to be issued and/ or transferred via treasury shares pursuant to the exercise of ESOS Options. The effects of any exercise of ESOS Options on the EPS of our Group would also depend on the returns to be generated by our Group from utilisation of the proceeds from the exercise of ESOS Options.

9.4.3 Proposed Diversification

The Proposed Diversification is not expected to have any material effect on the earnings of our Group for the FYE 31 December 2020. However, the Proposed Diversification may contribute positively to the future earnings of our Group as and when earnings contribution from Financial Services increases.

9.5 Convertible securities

As at the LPD, we do not have any convertible securities.

10. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of the MYEG Shares as traded on Bursa Securities for the past 12 months from July 2019 to June 2020 are set out below:-

	High RM	Low RM
2019		
July	1.70	1.45
August	1.61	1.35
September	1.47	1.38
October	1.49	1.05
November	1.27	1.10
December	1.19	1.07
2020		
January	1.20	1.03
February	1.42	0.99
March	1.28	0.77
April	1.29	0.95
May	1.53	1.22
June	1.57	1.20

Last transacted market price of MYEG Shares as at 29 May 2020
(being the latest trading day prior to the announcement on the Proposals) 1.35

Last transacted market price on 30 June 2020
(being the LPD prior to the printing of this Circular) 1.42

(Source: Bloomberg)

11. APPROVALS REQUIRED/ OBTAINED

The Proposals are subject to the following approvals being obtained:-

- i. Bursa Securities, for the following:-
 - a. listing of and quotation for up to 66,400,109 new MYEG Shares to be issued pursuant to the Proposed DRP; and
 - b. listing of and quotation for such number of new MYEG Shares, representing up to 10% of MYEG's total number of issued shares (excluding treasury shares, if any) that may be issued pursuant to the Proposed ESOS;

on the Main Market of Bursa Securities, the approval of which has been obtained vide its letter dated 29 June 2020 subject to the following conditions:-

	Conditions	Status of compliance
a.	MYEG and UOBKH must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposals;	To be complied
b.	MYEG and UOBKH to inform Bursa Securities upon the completion of the Proposals;	To be complied
c.	MYEG to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposals are completed;	To be complied

	Conditions	Status of compliance
d.	MYEG is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the Proposed ESOS, as at the end of each quarter together with a detailed computation of listing fees payable;	To be complied
e.	UOBKH is required to submit a confirmation to Bursa Securities of full compliance of the Proposed ESOS pursuant to Paragraph 6.43(1) of the Listing Requirements and stating the effective date of implementation; and	To be complied
f.	UOBKH is required to submit a certified true copy of the resolution passed by the shareholders in general meeting approving the Proposals.	To be complied
ii.	Shareholders at the forthcoming EGM. Additionally, approvals for any issuances of new MYEG Shares pursuant to the Proposed DRP will be sought at the AGM on an annual basis where applicable. For avoidance of doubt, the issuance of new MYEG shares pursuant to the First DRP is conditional upon the Proposed DRP; and	
iii.	Any other relevant authority, if required.	

The Proposed DRP, Proposed ESOS and Proposed Diversification are not inter-conditional upon each other.

The Proposals are not conditional upon any other proposals undertaken or to be undertaken by MYEG.

12. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/ OR PERSONS CONNECTED TO THEM

None of the Directors, major Shareholders and/ or persons connected to them have any interest, either direct or indirect, in the Proposals, save for the following:-

- i. their respective entitlements as Shareholders under the Proposed DRP, of which all other Shareholders are similarly entitled; and
- ii. all Directors are eligible to participate in the Proposed ESOS, and are therefore deemed interested to the extent of their respective proposed allocation under the Proposed ESOS. Notwithstanding that, all Directors have deliberated on the Proposed ESOS, and have agreed to present the Proposed ESOS to Shareholders for their consideration and approval.

All Directors have and will continue to abstain from all Board deliberations and voting in respect of their respective proposed allocation, and the proposed allocations to persons connected to them under the Proposed ESOS, at the relevant Board meetings. The Directors who are deemed persons connected to Eligible Persons under the Proposed ESOS, have and will continue to abstain from all Board deliberations and voting in respect of the proposed allocations to persons connected to them under the Proposed ESOS, at the relevant Board meetings.

All Directors will abstain from voting in respect of their direct and/ or indirect shareholdings, at the EGM in respect of the resolutions to be tabled for their respective proposed allocation as well as the proposed allocations to the persons connected to them, under the Proposed ESOS to be tabled at the EGM.

All Directors will undertake to ensure that persons connected to them, will abstain from voting in respect of their direct and/ or indirect shareholdings, on the resolutions pertaining to their respective proposed allocations, and the proposed allocations to the persons connected to them, to be tabled at the EGM.

The direct and indirect shareholdings of the Directors in MYEG as at the LPD are as follows:-

Director	Shareholdings as at the LPD			
	<-----Direct----->		<-----Indirect----->	
	No. of Shares	%	No. of Shares	%
Dato' Norraesah	26,260,000	0.76	-	-
Wong Thean Soon	362,939,130	10.51	714,428,577 ^{*1}	20.68
Tan Sri Dato' Dr Muhammad Rais Bin Abdul Karim	11,219,000	0.32	4,301,000 ^{*2}	0.12
Datuk Mohd Jimmy Wong Bin Abdullah	3,312,000	0.10	-	-
Wong Kok Chau	-	-	-	-

Notes:-

^{*1} Deemed interested by virtue of his substantial shareholdings in AIH pursuant to Section 8 of the Act

^{*2} Deemed interested by virtue of his wife's and son's shareholdings pursuant to Section 59 (11)(c) of the Act

13. ESTIMATED TIMEFRAME FOR COMPLETION AND TENTATIVE TIMETABLE FOR IMPLEMENTATION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposed Diversification is expected to be completed by the third quarter of 2020. The Proposed DRP and Proposed ESOS is expected to be implemented by the third quarter of 2020.

The First DRP is expected to be completed by the third quarter of 2020, subject to Shareholders' approval for the 2019 Proposed Final Dividend at the forthcoming AGM and the Proposed DRP at the forthcoming EGM.

The tentative timetable in relation to the implementation of the Proposed DRP and the First DRP is set out below:-

Date	Events
6 August 2020	<ul style="list-style-type: none"> Convening of the forthcoming 19th AGM and EGM to obtain Shareholders' approval for the 2019 Proposed Final Dividend and the Proposals, respectively
Early August 2020	<ul style="list-style-type: none"> Announcement on the Entitlement Date and Issue Price
End August 2020	<ul style="list-style-type: none"> Entitlement Date
Early September 2020	<ul style="list-style-type: none"> Despatch of Notice of Election to Shareholders
Mid September 2020	<ul style="list-style-type: none"> Expiry Date
End September 2020	<ul style="list-style-type: none"> Allotment and issuance of new MYEG Shares pursuant to the First DRP as well as payment of Dividends Listing of new MYEG Shares pursuant to the First DRP on the Main Market of Bursa Securities

14. PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals (which is the subject matter of this Circular), our Board is not aware of any other outstanding proposals which have been announced but not yet completed as at the date of this Circular.

15. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board having considered all aspects of the Proposals, including but not limited to the rationale, justification and the effects of the Proposals, are of the opinion that the Proposals are in the best interest of MYEG. Accordingly, our Board recommends that you **VOTE IN FAVOUR** of the resolutions pertaining to the Proposals at the forthcoming EGM.

However, in view that all Directors are eligible to participate in the Proposed ESOS, they have abstained and will continue to abstain from deliberating and making any recommendations at all relevant Board meetings on the resolutions pertaining to their respective allocations as well as allocations to persons connected to them, under the Proposed ESOS. They will also abstain and ensure that persons connected to them, abstain from voting in respect of their direct and/or indirect interests in MYEG, on the resolutions pertaining to their respective allocations as well as allocations to persons connected to them, under the Proposed ESOS at the forthcoming EGM to be convened.

Where the resolutions are not related to their respective allocations or to the persons connected to them, the Directors, after having considered all aspects of the Proposed ESOS, are of the opinion that the Proposed ESOS is in the best interest of our Group and recommend that you **VOTE IN FAVOUR** of the resolutions pertaining to the Proposed ESOS at the forthcoming EGM.

16. EGM

The EGM, the notice of which is enclosed in this Circular, will be held as a virtual meeting through live streaming and online remote voting using Remote Participation and Voting ("**RPV**") facilities via Vote2U at <https://web.vote2u.app> from the broadcast venue at Level 43A, MYEG Tower, Empire City, No. 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor Darul Ehsan, Malaysia ("**Broadcast Venue**"), on Thursday, 6 August 2020 at 11.00 a.m. or immediately following the conclusion or adjournment of the Nineteenth AGM of MYEG scheduled to be conducted virtually from the same Broadcast Venue and on the same day at 10.00 a.m., whichever is later, for the purpose of considering and if thought fit, passing with or without modification, the resolutions to give effect to the Proposals.

Shareholders are encouraged to participate remotely via live streaming and vote remotely using the RPV facilities via Vote2U at <https://web.vote2u.app>.

If you are unable to attend, participate and vote remotely in person at the EGM, you are requested to complete, sign and return the enclosed Proxy Form in accordance with the instructions contained therein, to be deposited at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time for holding the EGM or any adjournment thereof. Alternatively, individual Shareholder(s) may submit the Proxy Form electronically through Vote2U at <https://web.vote2u.app>, not less than 48 hours before the time for holding the forthcoming EGM or any adjournment thereof. The lodging of the Proxy Form shall not preclude you from attending, participating and voting remotely in person at the forthcoming EGM should you subsequently wish to do so, but if you do, your proxy or proxies shall be precluded from attending the EGM.

17. FURTHER INFORMATION

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

Yours faithfully,
For and on behalf of the Board
MY E.G. SERVICES BERHAD

DATO' DR NORRAESAH BINTI HAJI MOHAMAD
Executive Chairman

DIVIDEND REINVESTMENT PLAN STATEMENT



www.myeg.com.my

MY E.G. SERVICES BERHAD

[Registration No.: 200001003034 (505639-K)]
(Incorporated in Malaysia)

DIVIDEND REINVESTMENT PLAN STATEMENT

(Abbreviations and definitions, unless where the context requires otherwise, shall be as set out in Section 2 under "Definition" governing this Dividend Reinvestment Plan Statement).

This Dividend Reinvestment Plan Statement contains the terms and conditions as may be amended from time to time ("**Terms and Conditions**") of the dividend reinvestment plan of MY E.G. Services Berhad ("**MYEG**" or "**Company**") under which persons appearing in the Record of Depositors of MYEG, as Shareholders on the Entitlement Date may, in relation to any Dividends, be given a Reinvestment Option as the Board may, at its absolute discretion, make available ("**Dividend Reinvestment Plan**").

SUMMARY OF THE DIVIDEND REINVESTMENT PLAN

The Dividend Reinvestment Plan will provide Shareholders with an option to elect to reinvest their Dividends in new MYEG Shares, in lieu of receiving cash.

In relation to any Dividends declared, the Board may, at its absolute discretion, determine whether to pay such Dividends in cash or to offer the Shareholders the Reinvestment Option and where applicable, the Electable Portion. Shareholders should note that MYEG is not obliged to undertake the Dividend Reinvestment Plan for every Dividend declared.

In this respect, the Electable Portion may encompass the whole or part of the Dividend declared. In the event the Electable Portion is not applicable for the whole Dividend declared, the Remaining Portion will be paid in cash.

Unless the Board has determined that the Reinvestment Option will apply to a particular Dividend declared (whether in whole or in part), all future Dividends as may be declared by MYEG will be paid wholly in cash to Shareholders in the usual manner through a Dividend Payment Account.

MYEG will issue new MYEG Shares to Participating Shareholders who elect to exercise the Reinvestment Option under the Dividend Reinvestment Plan. The Issue Price which will be determined and fixed by the Board on the Price-Fixing Date, shall not be more than ten percent (10%) discount to the five (5)-day VWAP of MYEG Shares immediately prior to the Price-Fixing Date. The VWAP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the Issue Price.

Approval will be sought from Bursa Securities for the listing of and quotation for the new MYEG Shares on the Main Market of Bursa Securities pursuant to each Dividend to which the Reinvestment Option applies. An announcement of the Entitlement Date will be made, after receipt of the approval of Bursa Securities, approval from Shareholders and other relevant authorities, where applicable. The Issue Price shall be announced either on the same day as or before the announcement of the Entitlement Date in relation to a Dividend to which the Reinvestment Option applies or such other periods as prescribed by the Listing Requirements.

APPENDIX I – DIVIDEND REINVESTMENT PLAN STATEMENT

Subsequent to the Entitlement Date, a Notice of Election (together with the DRF attached thereto) will be despatched to all Shareholders. Shareholders may elect to reinvest into new MYEG Shares through submission of hardcopy of the DRF contained in the Notice of Election. Please refer to Section 5 (Terms and Conditions of the Dividend Reinvestment Plan) for further instructions. Instructions will be provided in the Notice of Election in respect of the action to be taken by the Shareholders should they wish to exercise the Reinvestment Option. The Notice of Election will also state, amongst others, the Expiry Date.

The Dividend Reinvestment Plan will allow Shareholders to have the following options in respect of the Reinvestment Option:

1. to elect to participate in the Reinvestment Option by reinvesting the whole or part of the Electable Portion at the Issue Price for new MYEG Shares.

In the event that only part of the Electable Portion is reinvested, Participating Shareholders shall receive cash for the balance portion of their Electable Portion not reinvested ; or

2. to elect not to participate in the Reinvestment Option and thereby receive their entire Dividend (both Electable Portion and Remaining Portion) entitlement wholly in cash.

There are no brokerage fees and other related transaction costs payable by the Participating Shareholders on the new MYEG Shares allotted, unless otherwise provided by any statute, law or regulation.

In addition, the Company shall transfer funds amounting to the total net Dividends declared (after deduction of any applicable income tax) from its account to the Dividend Payment Account held in trust for the Shareholders.

In accordance with Paragraph 6.09 of the Listing Requirements, MYEG will, within eight (8) Market Days from the Expiry Date or such date as may be prescribed by Bursa Securities, allot and issue the new MYEG Shares and despatch notices of allotment to Participating Shareholders. The new MYEG Shares to be issued pursuant to the Dividend Reinvestment Plan will not be underwritten.

Further, in accordance with Paragraphs 8.26(2) and 9.19(2)(a)(ii) of the Listing Requirements, on the Allotment Date (which will be within one (1) month from the Entitlement Date and in any event, within three (3) months from the date of declaration of the Dividend or the date on which the approval is obtained in a general meeting of MYEG, whichever is applicable), the Remaining Portion and/ or the balance of the Electable Portion not reinvested will be paid in cash to the respective Shareholders in the usual manner through a Dividend Payment Account, where applicable. For avoidance of doubt, Dividend for the Shareholders who do not exercise their Reinvestment Option will also be paid concurrently on the Allotment Date, in cash, in the usual manner.

MYEG will also release an announcement on the Market Day on which the new MYEG Shares will be listed and quoted on the Main Market of Bursa Securities.

The new MYEG Shares will, upon allotment and issuance, rank equally in all respects with the existing MYEG Shares, save and except that the holders of new MYEG Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distributions declared, made or paid to Shareholders, where the entitlement date of such distributions precedes the relevant date of allotment and issuance of the new MYEG Shares.

The new MYEG Shares will be prescribed securities and credited directly into the respective CDS account(s) of Participating Shareholders. No physical share certificates will be issued.

APPENDIX I – DIVIDEND REINVESTMENT PLAN STATEMENT

HOW TO PARTICIPATE

Participation in the Dividend Reinvestment Plan is optional and not transferable. A Shareholder wishing to exercise the Reinvestment Option in respect of any Electable Portion to which a Notice of Election received by him/her relates must complete the DRF and return it to the office of the Share Registrar as stated in the Notice of Election and/ or DRF or at such address as may be determined by the Company from time to time in accordance with the instructions as prescribed therein.

Shareholders who receive more than one (1) Notice of Election and wish to reinvest in new MYEG Shares in respect of all or part of his/her entitlement to the Electable Portion arising from his/her entire holding of MYEG Shares must complete all the DRFs received by him/her (to the extent of the entitlement to the Electable Portion in which he/she intends to reinvest in new MYEG Shares) and return the completed DRFs to the office of the Share Registrar as stated in the Notice of Election and/ or DRF or at such address as may be determined by the Company from time to time in accordance with the prescribed instructions therein not later than the Expiry Date. Shareholders should note that they are at liberty to decide which particular Notice of Election they wish to elect for the reinvestment in new MYEG Shares.

Where any particular Notice of Election is not elected upon, the Dividend relating thereto will be paid in cash by the Company to the Shareholders in the usual manner through a Dividend Payment Account.

To be effective in respect of any Electable Portion to which a Notice of Election relates, such duly completed and signed DRF must be received by the Share Registrar or at such address as may be determined by the Company from time to time no later than the Expiry Date (which shall be at least 14 days from the date the Notice of Election is despatched) stated in the Notice of Election in respect of that particular Reinvestment Option.

A stamp duty of RM10.00 will be levied on each DRF submitted by the Participating Shareholders.

All Shareholders are eligible to participate in the Dividend Reinvestment Plan, provided that:

- (a) such participation will not result in a breach of any restrictions on their holding of MYEG Shares which may be imposed by any of their contractual obligations, or by any statute, law or regulation in force in Malaysia or any other relevant jurisdiction, or by any relevant authorities as the case may be (unless the requisite approvals under the relevant statute, law or regulation or from the relevant authorities are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts); or
- (b) there are no restrictions for such participation as prescribed in the Company's Constitution.

Shareholders should however note that the Notice of Election will not be sent to Shareholders whose address in the Company's Record of Depositors is not in Malaysia to avoid any violation on the part of MYEG of any securities laws applicable outside Malaysia.

Shareholders who currently do not have registered address in Malaysia and who wish to participate in the Dividend Reinvestment Plan may collect the Notice of Election and/ or other documents relating to the dividend reinvestment plan from the Share Registrar located at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia or at such address as may be determined by MYEG from time to time and the Share Registrar may in such event be entitled to request for documentary evidence to satisfy itself as to the identity and authority of the person collecting the Notice of Election together with the DRF and/ or other documents relating to the dividend reinvestment plan; or alternately provide the Share Registrar with their respective address in Malaysia not later than 3 Market Days prior to the relevant Entitlement Date in respect of any Dividends to which the Board has determined that the Reinvestment Option shall apply.

APPENDIX I – DIVIDEND REINVESTMENT PLAN STATEMENT

Shareholders should note that under the Dividend Reinvestment Plan:

- (a) in exercising the Reinvestment Option, they are at their liberty to reinvest the entire Electable Portion or a part thereof to which a Notice of Election relates; and
- (b) their right to exercise the Reinvestment Option is non-transferable.

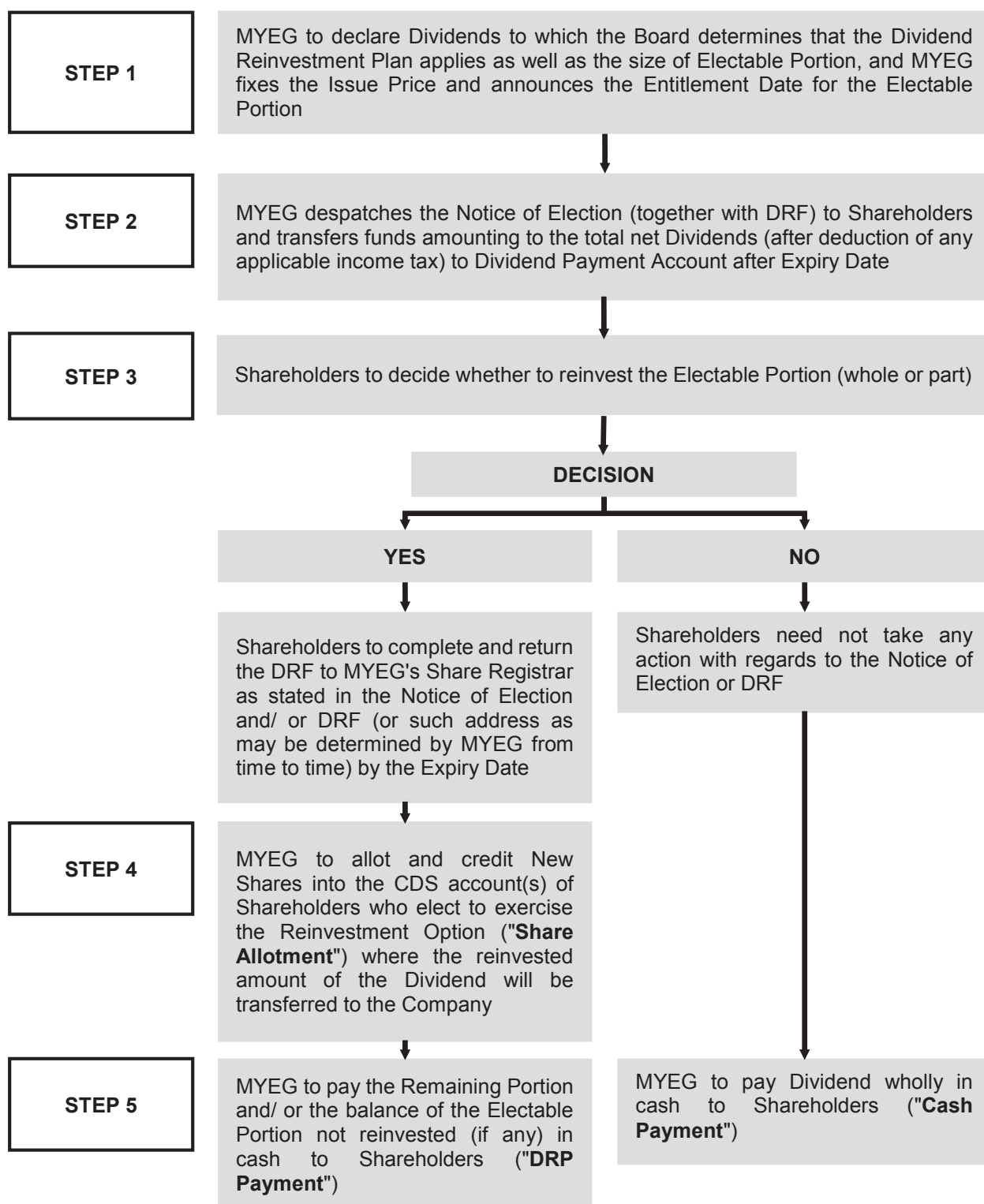
Shareholders will receive the Electable Portion in cash if they do not expressly elect in writing in the DRF to exercise the Reinvestment Option by the Expiry Date. As such, Shareholders who wish to reject the Reinvestment Option or to receive their Dividends wholly in cash need not take any action with regards to the Notice of Election or DRF.

The shareholding percentage of a Shareholder may be diluted should he/she decide not to exercise his/her Reinvestment Option. However, the extent of the dilution, if any, will depend on the number of new MYEG Shares issued by the Company pursuant to the level of the Reinvestment Option exercised by other Shareholders.

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APPENDIX I – DIVIDEND REINVESTMENT PLAN STATEMENT

A brief process flow chart in relation to the administration of the Dividend Reinvestment Plan is shown below:



Note:-

In respect of Step 4 and Step 5, Shareholders should take note that the Cash Payment, Share Allotment and DRP Payment will occur on the same day, which will be a date falling within one (1) month from the Entitlement Date and in any event, within three (3) months from the date of declaration of the Dividend or the date on which the approval is obtained in a general meeting of MYEG, whichever is applicable.

APPENDIX I – DIVIDEND REINVESTMENT PLAN STATEMENT

TERMS AND CONDITIONS OF THE DIVIDEND REINVESTMENT PLAN

1. Establishment

The Dividend Reinvestment Plan has been established by the Board and the administration of the Dividend Reinvestment Plan, including the Reinvestment Option and the Electable Portion shall be determined by the Board at its absolute discretion.

2. Definition

In these Terms and Conditions, the following definitions shall apply:

Allotment Date	Date of the issuance of new MYEG Shares which falls within 8 Market Days from the Expiry Date or such date as may be prescribed by Bursa Securities.
Board	Board of Directors of MYEG, as may be constituted from time to time.
Bursa Depository	Bursa Malaysia Depository Sdn. Bhd. [Registration No. 198701006854 (165570-W)].
Bursa Securities	Bursa Malaysia Securities Berhad [Registration No. 200301033577(635998-W)].
CDS	Central Depository System governed under the Securities Industry (Central Depositories) Act 1991, and any amendments from time to time and any re-enactment thereof.
CMSA	Capital Markets and Services Act, 2007 and any amendments from time to time and any re-enactment thereof.
Control	The acquisition or holding of, or entitlement to exercise or control the exercise of, voting shares or voting rights of more than thirty-three percent (33%), or such other amount as may be prescribed in the CMSA and Rules, howsoever effected.
Director(s)	A natural person who holds directorship in the Company and shall have the meaning given in Section 2(1) of the Companies Act 2016 (and any amendments from time to time and any re-enactment thereof) and Section 2(1) of the CMSA.
Dividend(s)	Cash dividend(s) declared by the Company (whether interim, final, special or any other cash dividend).
Dividend Payment Account	The non-interest bearing account opened by MYEG to facilitate the payment of Dividends.
Dividend Reinvestment Plan	The dividend reinvestment plan that provides the Shareholders with the Reinvestment Option in accordance with the Terms and Conditions.
DRF	Dividend Reinvestment Form (in such form as the Board may approve) issued in connection with the Dividend Reinvestment Plan by which the Shareholders elect to participate in the Dividend Reinvestment Plan and contained in the Notice of Election.

APPENDIX I – DIVIDEND REINVESTMENT PLAN STATEMENT

Electable Portion	The whole or part of the Dividend(s) to which the Board, at its absolute discretion, determines that the Reinvestment Option applies.
Entitlement Date	The date as at the close of business (to be determined and announced later by the Board) on which Shareholders' names appear in the Record of Depositors of the Company in order to participate in the Dividend Reinvestment Plan applicable to a Dividend.
Expiry Date	The due date (which will be a date to be fixed and announced by the Board and which shall be at least 14 days from the date of Notice of Election is despatched or such date as may be prescribed by Bursa Securities) by which an election to be made by the Shareholders in relation to their Electable Portion must be received by the Share Registrar or at such address as may be determined by the Company from time to time.
Foreign Addressed Shareholders	Shareholders whose address in the Company's Record of Depositors are outside of Malaysia.
Issue Price	The issue price of the new MYEG Shares, to be determined and fixed by the Board on the Price-Fixing Date, and which shall be an issue price of not more than ten percent (10%) discount to the five (5)-day VWAP of MYEG Shares immediately preceding the Price-Fixing Date. The VWAP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price at the material time.
Listing Requirements	Main Market Listing Requirements of Bursa Securities and any amendments from time to time.
Market Day(s)	Any day between Mondays to Fridays (inclusive of both days) which is not a public holiday and on which Bursa Securities is open for the trading of securities.
MYEG or Company	MY E.G. Services Berhad [Registration No. 200001003034 (505639-K)].
MYEG Share(s) or Share(s)	Ordinary share(s) of MYEG.
Notice of Election	The notice of election (in such form as the Board may approve) in relation to the Reinvestment Option by which the Shareholders confirm the exercise thereof through the DRF contained in the Notice of Election. The notice of election, will stipulate amongst others, the instructions in respect of the action to be taken by Shareholders should they wish to exercise the Reinvestment Option as well as the Expiry Date.
Participating Shareholder(s)	Shareholder(s) who elect to exercise the Reinvestment Option pursuant to the Dividend Reinvestment Plan up to the extent of the Electable Portion in respect of his/her holding of MYEG Shares as at each Entitlement Date to which each Notice of Election received by him/her relates.
Price-Fixing Date	The date on which the Board determines and announces the Issue Price, upon procuring all the relevant approvals, either on the same day as or before the announcement of the Entitlement Date in relation to a Dividend to which the Reinvestment Option applies.

APPENDIX I – DIVIDEND REINVESTMENT PLAN STATEMENT

Record of Depositors	A record of depositors established by Bursa Depository under the Rules of Bursa Depository.
Reinvestment Option	The option given to the Shareholders pursuant to the Dividend Reinvestment Plan by the Board and at the Board's discretion, to reinvest all or part of the Electable Portion of their Dividend in new MYEG Shares.
Remaining Portion	The remaining portion of the Dividend (where the Electable Portion is not applicable to the whole Dividend declared) which will be paid in cash.
RM and sen	Ringgit Malaysia being the lawful currency of Malaysia. Unless otherwise stated herein and whenever applicable, the currency adopted for any matter referred to in these Terms and Conditions is RM and sen, being the lawful currency of Malaysia.
Rules	Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the Securities Commission Malaysia and any amendments from time to time.
Shareholder(s)	Shareholder(s) of MYEG.
Share Registrar	The share registrar of MYEG, namely Boardroom Share Registrars Sdn. Bhd. or such other person, firm or company as for the time being maintaining the share register of MYEG in Malaysia.
Terms and Conditions	The terms and conditions of the Dividend Reinvestment Plan as may be amended, modified and supplemented from time to time.
VWAP	Volume weighted average market price.

3. Eligibility

All Shareholders are eligible to participate in the Dividend Reinvestment Plan, provided that:

- (a) such participation will not result in a breach of any restrictions on their holding of MYEG Shares which may be imposed by any of their contractual obligations, or by any statute, law or regulation in force in Malaysia or any other relevant jurisdiction, or by any relevant authorities as the case may be (unless the requisite approvals under the relevant statute, law or regulation or from the relevant authorities are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts); or
- (b) there are no restrictions for such participation as prescribed in the Company's Constitution.

4. Foreign Addressed Shareholders

To avoid any violation on the part of MYEG of any securities laws applicable outside Malaysia, the Dividend Reinvestment Plan will not be offered for subscription in any country other than Malaysia. Accordingly, all documents relating to the Dividend Reinvestment Plan, including the Notice of Election, will not be sent to the Foreign Addressed Shareholders. No Foreign Addressed Shareholder shall have any claim whatsoever against the Company as a result of the documents relating to the Dividend Reinvestment Plan not being sent to such Foreign Addressed Shareholder. Foreign Addressed Shareholders who receive or come to have in their possession a Notice of Election and/or any other documents relating to the Dividend Reinvestment Plan may not treat the same as being applicable to them (except where the Notice of Election and/or documents relating to the Dividend Reinvestment Plan have been collected from the Share Registrar in the manner specified below) and are, in any event, advised to inform themselves of, and to observe, any prohibitions and restrictions, and to comply with any applicable laws and regulations relating to the Dividend Reinvestment Plan as may be applicable to them.

Foreign Addressed Shareholders who wish to participate in the Dividend Reinvestment Plan may collect the Notice of Election and/or other documents relating to the Dividend Reinvestment Plan from the Share Registrar located at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia or at such address as may be determined by MYEG from time to time and the Share Registrar may in such event be entitled to request for documentary evidence to satisfy itself as to the identity and authority of the person collecting the Notice of Election and/or other documents relating to the Dividend Reinvestment Plan; or alternately provide the Share Registrar with their respective address in Malaysia not later than 3 Market Days prior to the relevant Entitlement Date in respect of any Dividends to which the Board has determined that the Reinvestment Option shall apply.

Foreign Addressed Shareholders who wish to change their addresses for service of documents to an address in Malaysia should inform their respective stockbrokers to effect the change of address. Such notification should be done not later than 3 Market Days prior to the Entitlement Date.

Foreign Addressed Shareholders will be solely responsible for seeking advice as to the laws of any jurisdiction that they may be subjected to, and participation by the Foreign Addressed Shareholders in the Dividend Reinvestment Plan will be on the basis that they may lawfully so participate in the Dividend Reinvestment Plan without the Company, its Directors, officers, employees, advisers, agents, affiliates and representatives and the employees of the advisers, agents, affiliates and representatives being in breach of the laws of any jurisdiction.

Neither the Company, any of its subsidiaries, their respective Directors, officers, employees, advisers, agents, affiliates and representatives and the employees of the advisers, agents, affiliates and representatives nor any other advisers shall accept any responsibility or liability in the event of any participation in the Dividend Reinvestment Plan by a Foreign Addressed Shareholder is or shall become illegal, unenforceable, voidable or void in any such countries or jurisdictions.

5. Mode of Election to Participate

Notwithstanding the mode of election selected by a Participating Shareholder to participate in the Dividend Reinvestment Plan, the Participating Shareholder acknowledges if at any time after the Board has determined that the Dividend Reinvestment Plan shall apply to any Dividend and before the allotment and issuance of the new MYEG Shares in respect of the Electable Portion, the Board shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Dividend Reinvestment Plan in respect of the Electable Portion, the Board may, in its absolute discretion and as it deems fit in the interest of the Company and without assigning any reason thereof, cancel the application of the Dividend Reinvestment Plan in relation to the Electable Portion subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia, as the case may be. In such event, Participating Shareholders shall receive the Electable Portion in cash in the usual manner.

For income tax purposes, a Shareholder is regarded as having received a cash distribution equivalent to the amount of the Dividend and will not be relieved from any income tax obligation (if applicable) or receive any tax advantage, irrespective of the mode of election selected by a Participating Shareholder or if a Shareholder elects to receive the entire Electable Portion in cash. As such a tax voucher will be issued and despatched to all the Shareholders.

5.1 Submission of DRF

Subsequent to the Entitlement Date, the Company will, at its discretion, send to each Shareholder one (1) or more Notices of Election in relation to each CDS account held by the Shareholder. The Notice of Election will state the instructions in relation to the action that is required to be taken by the Shareholders to exercise their respective Reinvestment Option and will also specify the Expiry Date. For the avoidance of doubt, the Expiry Date shall be at least 14 days from the date the Notice of Election is despatched.

In addition, the Company shall transfer funds amounting to the total net Dividends declared (after deduction of any applicable income tax) from its account to the Dividend Payment Account held in trust for the Shareholders.

To be effective in respect of any Electable Portion, the DRF contained in a Notice of Election must be duly completed and executed by the Shareholder as to the confirmation of its/his election to reinvest the Electable Portion and must be received by the Share Registrar or at such address as may be determined by the Company from time to time, no later than the Expiry Date.

Shareholders who receive more than one (1) Notice of Election and wish to reinvest in new MYEG Shares in respect of all or part of his/her entitlement to the Electable Portion arising from his/her entire holding of MYEG Shares must complete all DRFs received by him/her and return the completed DRFs to the Share Registrar as stated in the Notice of Election and/ or DRF or at such address as may be determined by the Company from time to time, no later than the Expiry Date. Shareholders who receive more than one (1) Notice of Election may elect to reinvest in new MYEG Shares in respect of its/his entitlement to which one (1) Notice of Election relates and may decline to reinvest in new MYEG Shares in respect of its/his entitlement to which another or any other Notice of Election relates. Shareholders should note that they are at liberty to decide which particular Notice of Election they wish to elect for the reinvestment in new MYEG Shares.

Where any particular Notice of Election is not elected upon, the Dividend relating thereto will be paid in cash by the Company in the usual manner through a Dividend Payment Account.

APPENDIX I – DIVIDEND REINVESTMENT PLAN STATEMENT

Notwithstanding the date of receipt by the Share Registrar or at such address as may be determined by the Company from time to time of the completed DRF, in accordance with Paragraph 6.09 of the Listing Requirements, the Allotment Date of the new MYEG Shares will take place within eight (8) Market Days from the Expiry Date or such other date as may be prescribed by Bursa Securities, provided that the completed DRF has been received by the Share Registrar or at such address as may be determined by the Company from time to time no later than the Expiry Date. A DRF to participate in the Dividend Reinvestment Plan in any other form will not be accepted by the Company.

A DRF in respect of any Electable Portion is irrevocable and shall not be withdrawn or cancelled by the Participating Shareholders.

The Company has the discretion and right to accept or reject any DRF that is incomplete, contains errors or is otherwise defective. The Company is under no obligation to correct any invalid DRF on behalf of any Shareholder or to provide any reason for rejecting any DRF. Any DRF received after the Expiry Date shall be invalid.

By electing to exercise the Reinvestment Option under the Dividend Reinvestment Plan, the Participating Shareholders, unconditionally and irrevocably:

- (a) warrants to the Company that he/she has the legal right, full power and authority to participate in the Dividend Reinvestment Plan and that his/her participation in the Dividend Reinvestment Plan will not result in a breach of any statute, law or regulation or contractual obligation by which he/she is bound;
- (b) acknowledges that the Company may at any time determine whether the Participating Shareholder's DRF is valid, even if the DRF is incomplete, contains errors or is otherwise defective;
- (c) acknowledges that the Company may accept or reject the DRF from the Participating Shareholder(s), and the decision of the Company is final and conclusive and agrees that the Company need not provide any reason therefor;
- (d) acknowledges that the Company has not provided the Participating Shareholders with investment advice or any other advice;
- (e) agrees to the Terms and Conditions and agrees not to do any act or thing which would be contrary to the intention or purpose of the Dividend Reinvestment Plan;
- (f) submits to the jurisdiction of the Malaysian Courts, in each case, at all times until the termination of the Dividend Reinvestment Plan; and
- (g) agrees that notwithstanding any other provisions, the Terms and Conditions set out herein or otherwise and irrespective of whether an election to exercise the Reinvestment Option has been made, if at any time after the Board has determined that the Dividend Reinvestment Plan shall apply to any Dividend and before the allotment and issuance of the new MYEG Shares in respect of the Electable Portion, the Board shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Dividend Reinvestment Plan in respect of the Electable Portion, the Board may, at its absolute discretion and as they may deemed fit and expedient and without assigning any reason thereto, by giving the Shareholders notice in such manner as the Board deems fit, modify, suspend (in whole or part) or cancel the application of the Dividend Reinvestment Plan in relation to the Electable Portion subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia, as the case may be. In such event, the Shareholders shall receive the Electable Portion in cash in the usual manner through a Dividend Payment Account.

APPENDIX I – DIVIDEND REINVESTMENT PLAN STATEMENT

Irrespective of whether an election is made by a Shareholder, a tax voucher will be despatched to all Shareholders. For income tax purposes, a Shareholder shall be treated as having received cash distribution equivalent to the amount of the Dividend declared, notwithstanding that the Shareholder may elect to exercise the Reinvestment Option (in whole or in part). Hence, the election for the Reinvestment Option does not relieve the Shareholder of any income tax obligation (if applicable) and there is no tax advantage to be gained in exercising the Reinvestment Option or otherwise.

6. Extent of application of Dividend Reinvestment Plan to each Electable Portion

In relation to any Dividends declared, the Board may, at its absolute discretion, determine in respect of any Dividend, whether the Dividend Reinvestment Plan shall apply and if so, whether the Electable Portion is for the whole or a portion of the Dividend. If, in its absolute discretion, the Board has not determined that the Dividend Reinvestment Plan is to apply to a particular Dividend declared, such Dividend shall be paid in cash to the Shareholders in the usual manner.

7. Share entitlement

Maximum Share Entitlement

By electing to participate in the Dividend Reinvestment Plan in respect of any Notice of Election received by him/her, a Shareholder elects to reinvest the whole or part of the Electable Portion, to which such Notice of Election relates, in the new MYEG Shares.

In respect of any Electable Portion, the number of new MYEG Shares to be allotted and issued to the Participating Shareholder electing to reinvest the whole or, if applicable, part of the Electable Portion in new MYEG Shares in respect of a Notice of Election shall be calculated in accordance with the following formula:

$$N = \frac{S \times D}{V}$$

Where:

N is the maximum number of new MYEG Shares (*rounded down to the nearest whole number*) to be allotted and issued as fully paid up to the Participating Shareholder in respect of such Notice of Election.

S is the number of MYEG Shares held by the Participating Shareholder as at the Entitlement Date to which a Notice of Election relates.

D is the Electable Portion or part thereof (after deduction of applicable income tax).

V is the Issue Price.

Any fractional entitlement of new MYEG Shares computed in accordance with the above formula will be paid in cash to the Participating Shareholders in the usual manner.

Balance of the Electable Portion

In respect of any Electable Portion, the balance of the Electable Portion in respect of a Notice of Election which is not reinvested into new MYEG Shares and/or fractional entitlement of new MYEG Shares in relation to the Electable Portion under the Dividend Reinvestment Plan, whichever is applicable, of which will be paid to the Participating Shareholder in cash in the usual manner ("Balance of the Electable Portion") shall be calculated in accordance with the following formula:

$$B = (S \times D) - (A \times V)$$

APPENDIX I – DIVIDEND REINVESTMENT PLAN STATEMENT

Where:

- B is the Balance of the Electable Portion in respect of such Notice of Election relates.
- S is the number of MYEG Shares held by the Participating Shareholder as at the Entitlement Date to which a Notice of Election relates.
- D is the Electable Portion or part thereof (after deduction of applicable income tax).
- A is the number of new MYEG Shares that the Participating Shareholder elects to subscribe for in respect of the Electable Portion to which such Notice of Election relates.
- V is the Issue Price.

The Balance of the Electable Portion will be paid to the Participating Shareholders in cash in the usual manner.

8. Terms of allotment

The maximum number of new MYEG Shares to be issued under the Dividend Reinvestment Plan will depend on, amongst others:

- i. the quantum of the Dividend;
- ii. the Board's decision on the proportion/size of the Electable Portion;
- iii. the number of Shareholders who elect to exercise the Reinvestment Option and the extent of their election;
- iv. the Issue Price; and
- v. any necessary downward adjustment by the Board to the final number of new MYEG Shares to be allotted and issued to any of the Shareholders as referred to in Section 15 under Implications of the Rules and Other Shareholding Limits.

Unless the Board otherwise determines, all new MYEG Shares allotted under the Dividend Reinvestment Plan will be allotted as fully paid-up. All such new MYEG Shares will, upon allotment and issuance, rank equally in all respects with the existing MYEG Shares, save and except that the holders of new MYEG Shares shall not be entitled to any Dividends, rights, allotments and/or any other forms of distribution declared, made or paid to Shareholders where the entitlement date of the said distributions precedes the relevant date of allotment and issuance of the new MYEG Shares.

It should be noted that since fractional new MYEG Shares will not be allotted, Participating Shareholders shall receive any amount of the Dividend payment that is insufficient for the issuance of 1 new MYEG Shares, in cash, in the usual manner.

As the new MYEG Shares to be issued pursuant to the Dividend Reinvestment Plan are prescribed securities, the new MYEG Shares will be credited directly into the respective CDS account(s) of Participating Shareholders and no physical share certificates will be issued.

9. Odd lots

Participating Shareholders may be allotted new MYEG Shares in odd lots depending on his/her entitlement of new MYEG Shares. Participating Shareholders who receive odd lots of new MYEG Shares and who wish to trade such odd lots may do so via the odd lots market of Bursa Securities, which allows the trading of odd lots with a minimum of 1 MYEG Share.

APPENDIX I – DIVIDEND REINVESTMENT PLAN STATEMENT

Shareholders who do not wish to receive new MYEG Shares in odd lots may round down the number of new MYEG Shares elected such that he/ she will receive new MYEG Shares in multiples of 100 new MYEG Shares. For any amount of Dividends relating to undesired odd lots entitlement of new MYEG Shares, the Shareholder can elect to receive such amount of Dividends in cash in the usual manner. Where a Shareholder's entitlement of new MYEG Shares is less than 100 MYEG Shares, the Shareholder can elect to receive his/ her entire Dividend entitlement in cash in the usual manner or new MYEG Shares in odd lots.

10. Notification to Participating Shareholders

In accordance with Paragraph 6.09 of the Listing Requirements, MYEG will within eight (8) Market Days from the Expiry Date or such other date as may be prescribed by Bursa Securities, allot and issue the new MYEG Shares and despatch notices of allotment to the Participating Shareholders. **Further, in accordance with Paragraphs 8.26(2) and 9.19(2)(a)(ii) of the Listing Requirements, on the Allotment Date (which will be within one (1) month from the Entitlement Date and in any event, within three (3) months from the date of declaration of the Dividend or the date on which the approval is obtained in a general meeting of MYEG, whichever is applicable), the Remaining Portion and the Balance of the Electable Portion not reinvested will be paid in cash to the respective Shareholders in the usual manner through a Dividend Payment Account, where applicable. For avoidance of doubt, Dividend for the Shareholders who do not exercise their Reinvestment Option will also be paid concurrently on the Allotment Date, in cash, in the usual manner.**

An announcement will also be made in respect of the Market Day on which the new MYEG Shares will be listed and quoted on the Main Market of Bursa Securities.

Shareholders will receive the Electable Portion in cash if they do not expressly elect in writing to exercise the Reinvestment Option by the Expiry Date. As such, Shareholders who wish to reject the Reinvestment Option or to receive their Dividends wholly in cash need not take any action with regards to the Notice of Election.

The shareholding percentage of a Shareholder in the Company may be diluted should he/she decide not to exercise his/her Reinvestment Option. However, the extent of the dilution will depend on the number of new MYEG Shares issued by the Company pursuant to the level of the Reinvestment Option exercised by other Shareholders.

11. Cost to the Shareholders who participate in the Dividend Reinvestment Plan

There are no brokerage fees and other related transaction costs payable by Shareholders on the new MYEG Shares allotted, unless otherwise provided by any statute, law or regulation. However, a stamp duty of RM10.00 will be levied on each DRF submitted by the Participating Shareholders.

12. Modification, suspension and cancellation of application of the Dividend Reinvestment Plan

Notwithstanding any other provisions, Terms and Conditions of the Dividend Reinvestment Plan set out herein or otherwise and irrespective of whether an election to exercise the Reinvestment Option has been made, if the Board shall consider that by reason of any event or circumstances (whether arising before or after the Board has determined that the Dividend Reinvestment Plan shall apply to any Dividend and before the allotment and issuance of new MYEG Shares in respect of the Electable Portion) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Dividend Reinvestment Plan in respect of the Electable Portion, the Board may, at its absolute discretion and as it deems fit and expedient and without assigning any reason thereto, by giving the Shareholders notice in such manner as the Board deems fit, modify, suspend (in whole or part) or terminate the application of the Dividend Reinvestment Plan to the Electable Portion subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia, as the case may be.

APPENDIX I – DIVIDEND REINVESTMENT PLAN STATEMENT

Subject to any statute, law or regulation in force in Malaysia, as the case may be, the abovementioned power of the Board shall be valid and subsisting irrespective of whether an election to exercise the Reinvestment Option has been made and notwithstanding any other provisions or Terms and Conditions stated herein or otherwise.

In the case of a suspension, the Dividend Reinvestment Plan to the Electable Portion will be suspended (in whole or in part, as the case may be) until such time as the Board may resolve at its absolute discretion, to recommence or terminate the Dividend Reinvestment Plan to the Electable Portion in such manner as the Board deems fit. If the Dividend Reinvestment Plan is recommenced, Participating Shareholders' Notice of Election confirming their participation under the previously suspended Dividend Reinvestment Plan to the Electable Portion will be valid and have full force and effect in accordance with these Terms and Conditions and any directions, terms and conditions to Shareholders for such recommencement of the Dividend Reinvestment Plan which may be notified to all Shareholders.

In the event the Board decides to cancel the application of the Dividend Reinvestment Plan to the Electable Portion, the Electable Portion shall be received in cash by the Shareholders in the usual manner through a Dividend Payment Account.

13. Modification, suspension and termination of the Dividend Reinvestment Plan

Subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia, as the case may be, the Dividend Reinvestment Plan and the Terms and Conditions may be modified, suspended (in whole or in part) or terminated at any time by the Board as it deems fit or expedient by giving notice in writing to all Shareholders in such manner as the Board deems fit and expedient and without assigning any reason thereto, notwithstanding any other terms and conditions of the Dividend Reinvestment Plan and irrespective of whether an election to exercise the Reinvestment Option has been made by any Shareholder.

In the case of a suspension, the Dividend Reinvestment Plan will be suspended (in whole or in part, as the case may be) until such time as the Board may resolve at its absolute discretion, to recommence or terminate the Dividend Reinvestment Plan in such manner as the Board deems fit.

14. General administration of the Dividend Reinvestment Plan

The Board may implement the Dividend Reinvestment Plan in the manner as it may deem fit at its absolute discretion. The Board has the power to:

- (a) determine procedures, rules and regulations for administration of the Dividend Reinvestment Plan which are consistent with these Terms and Conditions, as may be amended or modified from time to time;
- (b) settle in such manner as it thinks fit, any difficulty, anomaly or dispute (including relating to the interpretation of any provision, regulation or procedure or as to any rights under the Dividend Reinvestment Plan) which may arise in connection with the Dividend Reinvestment Plan, whether generally or in relation to any Participating Shareholder or any MYEG Share and the determination of the Board will be conclusive and binding on all Shareholders and other persons to whom the determination relates without giving any reasons for its determination;
- (c) delegate to any one (1) or more persons, for such period and on such conditions as the Board may determine, the exercise of any of its powers or discretion under or in respect of the Dividend Reinvestment Plan and references to a decision, opinion or determination of the Board include a reference to the decision, opinion or determination of the person or persons to whom the Board has delegated its authority to, for the purposes of administering the Dividend Reinvestment Plan; and

APPENDIX I – DIVIDEND REINVESTMENT PLAN STATEMENT

- (d) waive strict compliance by the Company or any Shareholder with any of these Terms and Conditions.

Any matter to be decided, determined, fixed, resolved or waived by the Board in respect of the Dividend Reinvestment Plan, shall be decided, determined, fixed and resolved or waived by the Board at its absolute discretion as it deems fit without assigning any reason.

15. Implications of the Rules and other shareholding limits

(a) The Rules

The attention of all Shareholders is drawn to Paragraph 4.01 of the Rules and Sections 217 and 218 of the CMSA. In particular, a Shareholder should note that he/she may be under an obligation to extend a take-over offer for the remaining MYEG Shares not already owned by him/her and persons acting in-concert with him/her (collectively, the "**Affected Parties**"), if by participating in the Dividend Reinvestment Plan in relation to the reinvestment of the Electable Portion:

- (i) the Affected Parties, have obtained Control in the Company: or
- (ii) the Affected Parties have acquired, more than two percent (2%) of the voting shares or voting rights of the Company in any six (6) month period and that Affected Parties hold more than thirty-three percent (33%) but not more than fifty percent (50%) of the voting shares or voting rights of the Company during the said six (6) month period, or such other amount as may be prescribed in the Rules, howsoever effected.

In the event an obligation to undertake a mandatory offer is expected to arise with respect to any parties resulting from the exercise of the Reinvestment Option, the Affected Parties may make an application to the Securities Commission Malaysia for an exemption from the obligation to undertake a mandatory offer pursuant to the Rules prior to exercising their Reinvestment Option.

The statements herein do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under, the Rules or other relevant legislation or regulations. Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer under the Rules as a result of any subscription of new MYEG Shares through their participation in the Dividend Reinvestment Plan are advised to consult their professional advisers at the earliest opportunity including (but not limited to) in relation to:

- (i) any obligation to make a take-over offer under the Rules as a result of any subscription of new MYEG Shares through his/her participation in the Dividend Reinvestment Plan; and
- (ii) whether or not to make an application to the Securities Commission Malaysia to obtain an approval for an exemption from the obligation to undertake a mandatory offer pursuant to the Rules prior to exercising his/her Reinvestment Option

(b) Other shareholding limits

Shareholders are responsible to ensure that their participation will not result in a breach of any restrictions on their respective holding of MYEG Shares which may be imposed by their contractual obligations, or by statute, law or regulation in force in Malaysia or any other relevant jurisdiction, or by any relevant authorities, as the case may be (unless the requisite approvals under the relevant statute, law or regulation or from the relevant authorities are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts), or as prescribed in the Company's Constitution.

APPENDIX I – DIVIDEND REINVESTMENT PLAN STATEMENT

The Board shall be entitled but not obliged to (save and except where required by law) reduce or limit the number of new MYEG Shares to be issued to any Shareholder and/or pay to the Shareholder the Electable Portion or any part thereof in cash, should the Board be made aware or be informed in writing of any expected breach of such shareholding limits as a result of the exercise of the Reinvestment Option by such Shareholder.

16. Disclaimer

Notwithstanding anything to the contrary, the Board and the Company including any of its subsidiaries and its respective Directors, officers, employees, advisers, agents, affiliates and representatives and the employees of the advisers, agents, affiliates and representatives, shall not, under any circumstance, be held liable for any damages, cost, loss and expense whatsoever and howsoever arising/incurred/suffered by any person including any Shareholder arising out of or in connection with the Dividend Reinvestment Plan including (but not limited to):

- (a) any obligation of any Shareholder to undertake a mandatory offer as a result of the Dividend Reinvestment Plan;
- (b) a breach of any restrictions on any Shareholder's holding of MYEG Shares which may be imposed by the Shareholders' contractual obligations, or by statute, law or regulation in force in Malaysia or any other relevant jurisdiction, or by any relevant authorities; and
- (c) any losses suffered by any Shareholders due to changes in share prices of the MYEG Shares or the quantum of future Dividends after the implementation of the Dividend Reinvestment Plan.

17. Governing Law

This Dividend Reinvestment Plan Statement and the Terms and Conditions and the Dividend Reinvestment Plan shall be governed by, and construed in accordance with the laws of Malaysia.

18. Notices and statements

Unless otherwise provided in these Terms and Conditions, any notices, documents and statements required to be given by the Company to a Participating Shareholder shall be given in accordance with the applicable provisions of the Constitution (as the case may be) of the Company.

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**BYLAWS OF MY E.G. SERVICES BERHAD
EMPLOYEES' SHARE OPTION SCHEME 2020**

1. DEFINITIONS AND INTERPRETATIONS

1.1 Except where the context otherwise requires, the following expression in these Bylaws shall have the following meanings:

Act	: The Companies Act, 2016, as amended from time to time and all regulations made thereunder and any re-enactment thereof;
Authorised Nominee	: A person who is authorised to act as a nominee as specified in accordance with the schedule prescribed under Part VIII of the Rules of Bursa Depository;
Available Balance	: The unissued MYEG Shares which is available for Offer of Options subject to the maximum limit as set out in Bylaw 3.1 and after deducting all MYEG Shares under Options which have been granted;
Board	: Board of Directors of MYEG, as may be constituted from time to time;
Bursa Depository	: Bursa Malaysia Depository Sdn. Bhd. (Registration No. 198701006854 (165570-W));
Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577(635998-W));
Bylaws	: The terms and conditions of the Scheme as set out herein, and shall include any amendments or variations made thereto from time to time;
CDS	: Central Depository System governed under the Central Depositories Act;
CDS Account	: The account established by Bursa Depository for a Depositor for the recording of deposits of securities and dealings in such securities by the Depositors;
Central Depositories Act	: The Securities Industry (Central Depositories) Act 1991, as amended from time to time and all regulations made thereunder and any re-enactment thereof;
Constitution	: the constitution or articles of association of the Company or by such other names so called, as amended from time to time;
Date of Expiry	: The last day of the duration of this Scheme pursuant to Bylaw 4.1 hereof unless earlier terminated pursuant to Bylaw 4.3. If such date is not a market day, then it shall be the market day immediately preceding the said non-market day, but excluding those days during that period on which the Record of Depositors and/or the register of options is or are closed;
Depositor	: A holder of a CDS Account;
Director	: A natural person who holds a directorship in an executive or non-executive capacity in any corporation in the MYEG Group;

APPENDIX II – DRAFT BYLAWS

Effective Date	:	The date for the implementation of the Scheme being the date of full compliance with all relevant requirements of Chapter 6 of the Main Market Listing Requirements including the approvals and/or conditions referred to in Bylaw 4.1 hereof have been obtained and/or complied with;
Eligible Person(s)	:	An Employee(s) and/or Director(s) of the MYEG Group, who meets the criteria of eligibility for participation in the Scheme as set out in Bylaw 6 hereof;
Employee	:	A natural person who is employed by and on the payroll of any corporation in the MYEG Group, including Director(s) and person(s) recruited under contracts of employment within the MYEG Group;
Entitlement Date	:	The date as at the close of business on which the names of the Shareholders must appear on MYEG's record of depositors in order to participate in any dividends, rights, interests, allotments or other distributions;
ESOS	:	Employee share option scheme;
ESOS Committee	:	The committee, from time to time, duly appointed and authorised by the Board pursuant to Bylaw 17 to administer the Scheme in accordance with these Bylaws;
Exercise Period	:	The specific period or periods within an Option Period during which Options may be exercised by Grantees, as determined by the ESOS Committee subject to Bylaw 10 hereof;
Exercise Price	:	The price at which the Grantee shall pay for every MYEG Share by exercising his/her Option as determined in accordance with Bylaw 9 hereof;
Government	:	The Government of Malaysia;
Grantee	:	Any Eligible Person who has accepted the Offer by the Company in accordance with the terms and conditions of the Scheme and "Grantees" or "Grantee(s)" refers to any one or more of them;
Main Market Listing Requirements:	:	The Main Market Listing Requirements of Bursa Securities;
Market Day(s)	:	Any day(s) from Mondays to Fridays (both days inclusive) which is not a public holiday and on which Bursa Securities is open for trading in securities;
Maximum Allowable Allotment	:	The maximum number of MYEG Shares that can be offered to an Eligible Person falling within a particular category of Eligible Person as stipulated in Bylaw 7 hereof;
MYEG Company	or	MY E.G. SERVICES BERHAD (Registration No. 200001003034 (505639-K));
MYEG Group or Group	:	MYEG and its Subsidiaries, collectively, except for dormant Subsidiaries;
MYEG Share(s)	:	Ordinary share(s) in MYEG;

APPENDIX II – DRAFT BYLAWS

Offer(s)	:	Offer made in writing by the ESOS Committee to a selected Eligible Person in the manner indicated in Bylaw 5 hereof;
Offer Date	:	The date of the Offer Letter from the ESOS Committee, on which an Offer is made to a selected Eligible Person to participate in the Scheme;
Offer Letter	:	The Offer made by the ESOS Committee in writing to the selected Eligible Person to participate in the Scheme;
Option	:	The right of a Grantee to subscribe for MYEG Share(s) (whether by way of issuance of new MYEG Shares and/or transfer of treasury shares by MYEG) pursuant to the contract constituted by the selected Eligible Person's acceptance of an Offer in the manner indicated in Bylaw 8 hereof and "Options" or "Option(s)" refer to any one or more of such right;
Option Period	:	A period commencing from the date an Offer is accepted in accordance with Bylaw 8 and expiring on the Date of Expiry or such other date which the ESOS Committee may in its discretion decide, provided that no Option Period shall extend beyond the Date of Expiry;
Person connected	:	Has the meaning given to "person connected" in Paragraph 1.01 of the Main Market Listing Requirements;
Principal Adviser	:	A corporate finance adviser that may act as a principal adviser under the Securities Commission Malaysia's Principal Adviser's Guidelines;
Record of Depositors	:	Means a record provided by Bursa Depository to a listed issuer under Chapter 24.0 of the Rules of Bursa Malaysia Securities Berhad, including any amendment that may be made from time to time;
Registered Office	:	The registered address of MYEG being 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia;
RM and sen	:	Ringgit Malaysia and sen, respectively, being the lawful currency of Malaysia;
Rules of Bursa Depository	:	The Rules of Bursa Depository as issued pursuant to the Central Depositories Act;
Scheme	:	The ESOS for the grant of Options to selected Eligible Persons to subscribe for MYEG Shares (whether by way of issuance of new MYEG Shares and/or transfer of treasury shares by MYEG) on the terms and conditions as set out herein;
Senior Management	:	An Employee of the MYEG Group deemed to be in a senior position as may be determined by the ESOS Committee from time to time;
Shareholder(s)	:	The shareholder(s) of MYEG;

APPENDIX II – DRAFT BYLAWS

- Subsidiaries** : Subsidiary corporations of MYEG within the meaning of Section 4 of the Act which are not dormant and shall include subsidiary corporations which are existing as at the Effective Date and those which are incorporated or acquired at any time during the duration of the Scheme and which is determined by the ESOS Committee at its absolute discretion from time to time to be a corporation participating under the Scheme in accordance with Bylaw 6, but exclude subsidiary corporations which have been divested in the manner provided for in Bylaw 25.2;
- Vesting Conditions** : The conditions which are required to be fulfilled by a Grantee before the Option(s) is capable of being vested onto the Grantee pursuant to the terms of these Bylaws;

1.2 In these Bylaws:

- (i) Any reference to a statutory provision shall include any subordinate legislation made from time to time under the provision and any listing requirements, policies and/or guidelines of Bursa Securities and/or any other relevant regulatory authority (whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the reasonable commercial practice of persons to whom such requirements, policies and/or guidelines are addressed to by Bursa Securities and/or any other relevant regulatory authority);
- (ii) Any reference to a statutory provision shall include that provision as from time to time modified or re-enacted whether before or after the date of these Bylaws so far as such modification or re-enactment applies or is capable of applying to any Option offered and accepted prior to the expiry of the Scheme and shall include also any past statutory provision (as from time to time modified or re-enacted) which such provision has directly or indirectly been replaced;
- (iii) Words denoting the singular shall include the plural and references to gender shall include both genders and the neuter;
- (iv) Any liberty or power which may be exercised or any determination which may be made hereunder by the ESOS Committee or the Board may be exercised at the ESOS Committee's or the Board's discretion;
- (v) The heading in these Bylaws are for convenience only and shall not be taken into account in the interpretation of these Bylaws; and
- (vi) Unless expressly stated herein, if an event occurs on a stipulated day which is not a Market Day, then the stipulated day will be taken to be the first Market Day after that day provided always that if such date shall fall beyond the duration of the Scheme, then the stipulated day shall be taken to be the preceding Market Day.
- (vii) Unless otherwise stated herein and whenever applicable, the currency adopted for any matter referred to in this Bylaws is RM and sen, being the lawful currency of Malaysia.

2. NAME OF SCHEME

This ESOS will be called the **"MY E.G. Services Berhad's Employees' Share Option Scheme 2020"**.

2A. THE OBJECTIVES OF THE SCHEME

The establishment of this ESOS is to align the interests of the Eligible Persons to the corporate goals of MYEG Group and provide the Eligible Persons with an opportunity to have equity participation in the Company and help achieve the positive objectives as set out below:

- (i) to recognise and reward the Eligible Persons by giving recognition to their contributions and services that are considered vital to the operations, hence motivating employee performance to create sustainable growth and profitability for MYEG and its subsidiaries (whether or not dormant);
- (ii) to retain, motivate and reward the Eligible Persons by allowing them to participate in the profitability of MYEG and its subsidiaries (whether or not dormant) and eventually realise the value of MYEG Shares upon disposal;
- (iii) to align the interest of Eligible Persons with that of the Shareholders' through the achievement of the objectives and plans of MYEG and its subsidiaries (whether or not dormant);
- (iv) to attract prospective employees with relevant skills and experience to MYEG and its subsidiaries (whether or not dormant) by making compensation packages offered more competitive; and
- (v) to foster and reinforce the Eligible Persons' loyalty and sense of belonging to MYEG and its subsidiaries (whether or not dormant) by enabling them to participate directly in the equity of the Company, thereby incentivising the Eligible Persons to contribute more actively to the operations and future growth and success of MYEG and its subsidiaries (whether or not dormant).

This ESOS is also extended to non-executive directors in the MYEG Group in recognition of their contributions towards the growth and performance of MYEG and its subsidiaries (whether or not dormant).

3. MAXIMUM NUMBER OF MYEG SHARES AVAILABLE UNDER THE SCHEME

- 3.1 The maximum number of MYEG Shares which may be made available under the Scheme shall not be more than ten per centum (10%) of the total number of issued MYEG Shares (excluding treasury shares) at any one time as referred to in Bylaw 5 hereof. The ESOS Committee has the discretion in determining whether the total number of MYEG Shares which may be made available under the Scheme and/or allocation thereof shall be staggered over the duration of the Scheme.
- 3.2 Notwithstanding the provision of Bylaw 3.1 above or any other provisions contained herein, in the event the maximum number of MYEG Shares comprised in the Options granted under the Scheme exceeds the aggregate of ten per centum (10%) threshold in Bylaw 3.1 above as a result of MYEG purchasing its own shares or MYEG undertaking any other corporate proposal, no further Options shall be offered until the total number of MYEG Shares to be made available under the Scheme falls below the said ten per centum (10%) threshold. Any Option granted prior to the adjustment of the number of issued MYEG Shares shall remain valid and exercisable in accordance with the provisions of this Scheme.
- 3.3 Notwithstanding the above, MYEG may implement more than one (1) ESOS during the duration of this Scheme provided that the aggregate MYEG Shares available under all the share issuance schemes implemented by MYEG is not more than fifteen per centum (15%) of the total number of issued MYEG Shares (excluding treasury shares) at any one time 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.

4. DURATION AND TERMINATION OF THE SCHEME

4.1 The Effective Date for the implementation of the Scheme shall be the date of full compliance with all relevant requirements of Chapter 6 of the Main Market Listing Requirements including the following approvals and/or conditions having been fully obtained and/or complied with:

- (a) the submission to Bursa Securities of the final copy of the Bylaws together with a letter of compliance pursuant to Paragraphs 2.12 and 6.42 of the Main Market Listing Requirements and a checklist showing compliance with Appendix 6E of the Main Market Listing Requirements;
- (b) the receipt of approval or approval-in-principle from Bursa Securities for the listing of and quotation for the new MYEG Shares to be issued pursuant to the exercise of the Options granted under the Scheme;
- (c) the procurement of Shareholders' approval for the Scheme at an extraordinary general meeting;
- (d) the receipt of approval of any other relevant authorities for the Scheme (where applicable); and
- (e) the fulfilment of all conditions attached to the above approvals, if any.

Unless otherwise terminated in accordance with Bylaw 4.3 herein and subject to the compliance of the terms and conditions herein contained, the Scheme shall come in force on the Effective Date for a period of five (5) years commencing from the Effective Date **PROVIDED ALWAYS THAT** on or before the expiry thereof, the Board shall have the absolute discretion, upon the recommendation of the ESOS committee, whether or not, to extend in writing the duration of the Scheme for another five (5) years or such shorter period as it deems fit immediately from the expiry of the first five (5) years commencing from the Effective Date **PROVIDED FURTHER THAT** the total duration of the Scheme shall not, in aggregate, be more than ten (10) years from the Effective Date or such longer period as may be allowed by the relevant authorities. In the event that the Scheme is extended in accordance with the terms and conditions herein, the ESOS Committee shall inform the extended duration of the Scheme to the relevant Grantees in such manner of communication as the ESOS Committee deems fit. Unless otherwise required by the relevant authorities, no further sanctions, approvals and/or authorisations shall be required for the extension of the Scheme provided that the Company shall serve appropriate notices to Grantees and make any announcements to Bursa Securities (if required) within thirty (30) days prior to the expiry of the original Scheme.

4.2 Offers can only be made during the duration of the Scheme before the Date of Expiry.

4.3 The Company may at any time during the duration of the Scheme through a resolution by the Board terminate the Scheme without further sanctions, approvals and/or authorisations (unless otherwise required by the relevant authorities or the Main Market Listing Requirements) and shall immediately announce to Bursa Securities the:

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

4.4 Notwithstanding anything to the contrary, all unvested and/or unexercised Options shall lapse on the Date of Expiry or earlier termination of the ESOS pursuant to Bylaw 4.3.

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- 4.5 The Company shall through its Principal Adviser submit no later than five (5) Market Days after the Effective Date of the implementation of these Bylaws, a confirmation to Bursa Securities of the full compliance of Bylaw 4.1 above stating the effective date of implementation of the Scheme, together with a certified true copy of the relevant resolutions passed by the Shareholders of the Company in the general meeting approving the Scheme.

5. OFFER

- 5.1 The ESOS Committee may, at any time during the duration of the Scheme as defined in Bylaw 4 hereof, make Offer(s) in writing to any Eligible Person (based on the criteria of allocation as set out in Bylaw 7 herein) selected by the ESOS Committee which selection shall be at the absolute discretion of the ESOS Committee and make the requisite announcements in respect thereof to Bursa Securities.
- 5.2 The actual number of MYEG Shares which may be offered to an Eligible Person shall be at the sole and absolute discretion of the ESOS Committee and, subject to any adjustments that may be made under Bylaw 14 hereof, shall not be less than one hundred (100) MYEG Shares but not more than the Maximum Allowable Allotment and shall always be in multiples of one hundred (100) MYEG Shares.
- 5.3 The ESOS Committee shall state the following particulars in the Offer Letter:
- (a) The Offer Date;
 - (b) The total number of MYEG Shares which the Eligible Person shall be entitled to subscribe for upon the exercise of the entire Option being offered;
 - (c) The Option Period;
 - (d) The Exercise Period (if any);
 - (e) The Exercise Price;
 - (f) The Acceptance Period as defined in Bylaw 8.1;
 - (g) Vesting period, Vesting Conditions and performance targets (if any); and
 - (h) Any other information deemed necessary by the ESOS Committee.
- 5.4 Without prejudice to Bylaw 18, in the event of an error on the part of the Company in stating any of the particulars referred to in Bylaw 5.3, the following provisions shall apply:
- (a) Within one (1) month after discovery of the error, the Company shall issue a supplemental letter to the Offer Letter, stating the correct particulars referred to in Bylaw 5.3;
 - (b) In the event that the error relates to particulars other than the Exercise Price, the Exercise Price applicable in the supplemental letter to the Offer Letter shall remain as the Exercise Price as per the original Offer Letter; and
 - (c) In the event that the error relates to the Exercise Price, the Exercise Price applicable in the supplemental letter to the Offer Letter shall be the Exercise Price applicable as at the date of the original Offer Letter, save and except with respect to any Option which have already been exercised as at the date of issue of the supplemental letter to the Offer Letter.

APPENDIX II – DRAFT BYLAWS

- 5.5 Subject to Bylaw 3 hereof, nothing herein shall prevent the ESOS Committee from making more than one (1) Offer to any Eligible Person provided always that the total aggregate number of MYEG Shares which may be offered to any Eligible Person (inclusive of MYEG Shares previously offered under the Scheme, if any) shall not exceed the Maximum Allowable Allotment of that Eligible Person as set out in Bylaw 7 hereof.
- 5.6 The ESOS Committee has the discretion not to make further additional Offers regardless of the amount of Available Balance.
- 5.7 The Offer shall automatically lapse and be null and void in the event of the death of the Eligible Person or the Eligible Person ceasing to be employed by the MYEG Group (as in the case of a non-executive Director, resigning from the Board) for any reason whatsoever prior to the acceptance of the Offer by the Eligible Person in the manner set out in Bylaw 8 hereof.
- 5.8 An Offer may be made upon such terms and conditions as the ESOS Committee may decide from time to time. Each Offer shall be made in writing and is personal to the Eligible Person and is non-assignable and non-transferable. The ESOS Committee may, by giving notice in writing to the Eligible Person, vary or waive the terms of any vesting condition, performance targets, vesting period, service period or other conditions.
- 5.9 After each adjustment following an alteration of the Company's share capital as stipulated in Bylaws 14.1 and 14.2 and the Company informing the Grantee of such adjustment pursuant to Bylaw 14.6, upon the return by a Grantee of the original Offer Letter to the Company, that Offer Letter shall be amended or a new Offer Letter shall be issued within one (1) month from the date of return of the original Offer Letter, to reflect the adjustment made to the number of MYEG Shares available for subscription under the Option(s) granted to the Grantee and/or the Exercise Price.
- 5.10 The Company shall keep and maintain at its own expense a register of Grantees and shall enter the name, address(es) and the number of the identity card issued under the National Registration Act 1959, or the passport number or other identification number, and the nationality of each Grantee, the Maximum Allowable Allotment, the number of MYEG Shares under the Option(s) offered to each Grantee, the number of MYEG Shares under the Option(s) accepted and exercised by each Grantee, the Date of Offer and the Exercise Price and other particulars as may be prescribed under Section 129 of the Act.
- 5.11 For the avoidance of doubt, there shall be no legal, equitable or other obligation whatsoever on the part of the ESOS Committee to consider making, or to make, any Offer to any or all of the Eligible Persons.

6. ELIGIBILITY

- 6.1 Subject to Bylaws 6.2, 6.4 and 6.5 below, any Director or Employee of the MYEG Group shall be eligible to be considered for the offer of Option(s) under the Scheme.

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6.2 In the case of an Eligible Person, he/ she will be eligible if at the date of the Offer, the following eligibility criteria is fulfilled:

- (a) he/ she has attained the age of at least eighteen (18) years on the Offer Date and is not an undischarged bankrupt or subject to any bankruptcy proceedings; and/or
- (b) if an Employee or executive Director, he/ she must have been employed by a corporation within the MYEG Group and his/ her employment must have been confirmed on the Offer Date, irrespective whether he/ she was transferred to a corporation within the Group, in which case he/ she must have been a confirmed employee in that corporation within the Group, employed on a full time basis and not employed on a fixed-term contract, and has not served a notice to resign nor received a notice of termination; and/or
- (c) if a non-executive Director, he/ she is appointed and remains appointed as a Director of any corporation within the MYEG Group as at the Offer Date; and/ or
- (d) is under such categories and criteria that the ESOS Committee may from time to time decide at its absolute discretion,

PROVIDED ALWAYS THAT the selection of any Director or Employee for participation in the Scheme shall be at the discretion of the ESOS Committee and the decision of the ESOS Committee shall be final and binding. In determining the eligibility of an Eligible Person to participate in the ESOS, the ESOS Committee may take into account amongst other factors, the performance, contribution, employment grade, seniority and/or length of service to the relevant corporation within the MYEG Group, and/or such other factors that the ESOS Committee may in its sole and absolute discretion deem fit. The ESOS Committee may, in its absolute discretion, waive any of the conditions of eligibility as set out above.

6.3 No Offers, allocation of Options under the Scheme and the related allotment of MYEG Shares shall be made to the following persons unless the Shareholders of MYEG in a general meeting shall have approved the specific allocation and allotment to such persons:

- (a) any person who is a director, major Shareholder or chief executive of MYEG or holding company of MYEG ("Interested Director", "Interested Major Shareholder" and "Interested Chief Executive"); or
- (b) a person connected with an Interested Director, Interested Major Shareholder or Interested Chief Executive ("Interested Person Connected with a Director, Major Shareholder or Chief Executive").

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

- (i) the Interested Director, Interested Major Shareholder, Interested Chief Executive or Interested Person Connected with a Director, Major Shareholder or Chief Executive; and
- (ii) where the allocation and allotment is in favour of an Interested Person Connected with a Director, Major Shareholder or Chief Executive, such Interested Director, Interested Major Shareholder or Interested Chief Executive,

must not vote on the resolution approving the said allocation and allotment. An Interested Director, Interested Major Shareholder or Interested Chief Executive must ensure that such persons connected with him/her abstain from voting on the resolution approving the said allocation and allotment.

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- 6.4 For the avoidance of doubt, the following persons are not Eligible Persons and do not qualify for participation in the Scheme:
- (a) subject to Bylaw 25 below, employees of a corporation which has ceased to be a subsidiary of MYEG;
 - (b) a director or employee of a corporation within the Group which is dormant; and
 - (c) employees that are on probation.
- 6.5 A Grantee under the Scheme shall not be entitled to participate in any other share issuance scheme for employees which may be implemented by any other corporation in the MYEG Group during the duration of the Scheme unless otherwise approved by the Board and in accordance with the relevant laws and the Main Market Listing Requirements.
- 6.6 Eligibility under the Scheme does not confer on an Eligible Person a claim or right to participate in or any rights whatsoever under the Scheme and an Eligible Person does not acquire or have any rights over or in connection with the Options or the MYEG Shares comprised herein unless an Offer has been made by the ESOS Committee to the Eligible Person and the Eligible Person has accepted the Offer in accordance with the terms and conditions of the Offer and the Scheme.
- 6.7 Subject to Bylaws 3.1 and 7.1, in the event that the ESOS Committee has determined that certain Eligible Persons are entitled to be offered additional Options and the Available Balance and/or treasury shares held by MYEG is insufficient to grant their full additional entitlements, the Available Balance and/or treasury shares held by MYEG may be distributed on such basis as the ESOS Committee may determine.
- 6.8 The ESOS Committee has the discretion not to make further Offer(s) regardless of the amount of Available Balance.
- 6.9 Where an Offer to an Eligible Person who is a member of the ESOS Committee, such grant of Option(s) shall be decided and carried out by the ESOS Committee PROVIDED ALWAYS that such Eligible Person and persons connected to him/her who are also members of the ESOS Committee shall abstain from all discussions, deliberations and voting in respect of the Offer proposed Option(s) to be granted to him/ her and/or to persons connected to him/her at the relevant ESOS Committee meetings.

7. MAXIMUM ALLOWABLE ALLOTMENT AND BASIS OF ALLOCATION

- 7.1 Subject to any adjustments which may be made under these Bylaws and the maximum allowable allocation limit on the total number of MYEG Shares (including MYEG Shares already issued under the Scheme) under Options pursuant to Bylaw 3, the aggregate number of MYEG Shares that may be offered and/or allotted to any of the Eligible Persons of the MYEG Group who are entitled to participate in the Scheme shall be on the basis set out in Bylaw 7.2 subject always to the following main parameters:
- (i) the Directors and senior management of MYEG Group do not participate in the deliberation or discussion of their own allocation as well as allocation of Options to persons connected with them, if any;
 - (ii) the number of MYEG Shares allocated to any Eligible Person who, either singly or collectively through persons connected with the Eligible Person, holds twenty per centum (20%) or more of the total number of issued MYEG Shares (excluding treasury shares), shall not exceed ten per centum (10%) of the total number of MYEG Shares to be made available under the Scheme; and

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- (iii) not more than fifty per centum (50%) of the MYEG Shares available under the Scheme shall be allocated in aggregate to the Directors and senior management of MYEG Group on the basis that they are crucial to the performance of MYEG Group as determined by the ESOS Committee at their sole and absolute discretion,

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

- 7.2 The basis for determining the aggregate number of MYEG Shares that may be offered under the Scheme and/or to an Eligible Person shall be at the sole and absolute discretion of the ESOS Committee after taking into consideration, *inter alia*, the performance, contribution, employment grade, seniority and/or length of service to the Group by the Eligible Person and/or such other matters which the ESOS Committee may in its sole and absolute discretion deem fit and the maximum allowable allocation limit on the total number of MYEG Shares (including MYEG Shares already issued under the Scheme) under Option(s) to be offered to an Eligible Person shall be based on the category and/or group of Employees as decided by the ESOS Committee.
- 7.3 Subject to Bylaw 18, the ESOS Committee may at its sole and absolute discretion and pursuant to Bylaw 17, amend or vary and/or include or preclude any basis or criteria which is applied in considering Offers to Eligible Persons including details of the category of Employees and/or thresholds of Maximum Allowable Allotment for which it shall deem necessary to introduce during the duration of the Scheme provided that these additional categories and/or basis are in compliance with the relevant Main Market Listing Requirements and applicable laws.
- 7.4 Any Eligible Person who holds more than one (1) position within the MYEG Group (including a Director who is an Employee of the MYEG Group and who sits on the board(s) of directors of any one (1) or more corporations within the MYEG Group), and is therefore an Eligible Person in more than one category or capacity, shall be entitled to the Maximum Allowable Allotment of only one (1) category to be determined by the ESOS Committee at its sole and absolute discretion.
- 7.5 In the event that an Eligible Person is promoted to a higher category, he/she shall be entitled to continue to hold and to exercise all unexercised Option(s) held by him/her as at the effective date of promotion and his/her Maximum Allowable Allotment shall be increased in accordance with his/her new category as provided in Bylaw 7.2 effective from such date, subject to the maximum number of MYEG Shares available under the Scheme as stipulated in Bylaw 3.1.
- 7.6 In the event that an Eligible Person is demoted to a lower category, he/she shall be entitled to continue to hold and to exercise all unexercised Option(s) held by him/her as at the effective date of demotion and his/her Maximum Allowable Allotment shall be reduced in accordance with his/her new category as provided in Bylaw 7.2 effective from such date, unless otherwise determined by the ESOS Committee. In the event the total number of MYEG Shares in respect of Option(s) which have been accepted by such demoted Eligible Person up to the effective date of his/her demotion is higher than the Maximum Allowable Allotment for his/her new category pursuant to such demotion, he/she shall not be entitled to be offered any further Option(s) unless and until he/she is subsequently promoted to a higher category or in such event where the Maximum Allowable Allotment is amended as provided in Bylaw 7.3 or revised by the ESOS Committee resulting in his/her Maximum Allowable Allotment being increased to an amount greater than the total number of MYEG Shares in respect of Option(s) which have already been accepted by him/her.
- 7.7 The ESOS Committee shall not be obliged in any way to offer to an Eligible Person all of the specified Maximum Allowable Allotment. The decision of the ESOS Committee shall be final and binding.

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- 7.8 The allocation of Options pursuant to the Scheme shall be verified by the Company's Audit Committee, as being in compliance with the criteria set out in these Bylaws (where relevant) at the end of each financial year of the Company.

8. ACCEPTANCE OF THE OFFER

- 8.1 An Offer shall be valid for a period of thirty (30) calendar days from the Offer Date or up to the date immediately before the Date of Expiry (whichever is the earlier) or such longer period as the ESOS Committee at its discretion, determines on a case to case basis ("Acceptance Period"). Acceptance of the Offer by an Eligible Person shall be made by way of a written notice from the Eligible Person to the ESOS Committee in the form prescribed by the ESOS Committee and accompanied by the payment of Ringgit Malaysia One (RM1.00) only as non-refundable consideration for the acceptance of each Offer (regardless of the number of shares comprised therein).
- 8.2 In the event that the Eligible Person fails to accept the Offer or pay the acceptance consideration as set out in Bylaw 8.1 hereof within the Acceptance Period and in the manner aforesaid, the Offer shall be deemed to have lapsed.

9. EXERCISE PRICE

- 9.1 The Exercise Price of each MYEG Share comprised in any Option shall be:
- (a) the five (5) day volume weighted average market price of the MYEG Shares as quoted on Bursa Securities at the Offer Date, with a discount of not more than ten per centum (10%) therefrom or such other percentage of discount as may be permitted by Bursa Securities and/or any other relevant authorities from time to time;
- as determined by the Board upon recommendation of the ESOS Committee which shall be binding and conclusive.
- 9.2 The Exercise Price shall be stipulated on each certificate of Option.
- 9.3 The Exercise Price shall be subject to any adjustments provided under Bylaw 14 herein.

10. EXERCISE OF OPTION

- 10.1 Subject to Bylaws 10.2 and 10.7 hereof, an Option can be exercised by the Grantee by notice in the prescribed form to the Company on the first day of every month during the Exercise Period in respect of all or any part of the MYEG Shares comprised in the Option, such part being in multiples of one hundred (100) MYEG Shares. For the avoidance of doubt, if the first day of any month shall fall on a day which is not a Market Day, then the notice in writing by the Grantee to the Company shall be submitted on the Market Day immediately following the first of the said month provided such dates are within the Exercise Period. Any partial exercise of an Option shall not preclude the Grantee from exercising the Option in respect of the balance of the MYEG Shares comprised in the Option.
- 10.2 Subject to Bylaws 14 and 18 hereof, the ESOS Committee may, at any time and from time to time, before and after an Option is granted, limit the exercise of the Option to a maximum number of MYEG Shares and/or such percentage of the total MYEG Shares comprised in the Option during such periods within the Option Period, subject the exercise of the Option to any vesting condition determined by the ESOS Committee at its sole and absolute discretion including but not limited to service objectives, performance targets (as may be measured by qualitative and/or quantitative key performance indicators) being achieved before an Option(s) can be exercised and/or impose any other terms and/or conditions (including the time period to exercise the Options) as the ESOS Committee may, in its sole discretion deem appropriate including amending or varying any terms and conditions imposed earlier.

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- 10.3 Every such notice to exercise the Option referred to in Bylaw 10.1 hereof shall be accompanied by a remittance in RM in the form of a bankers' draft or cashiers' order drawn and payable in Malaysia or any other form acceptable to the ESOS Committee for the full amount of subscription/ exercise monies (calculated in accordance with the provisions of Bylaw 9 hereof) in relation to the number of MYEG Shares in respect of which the written notice is given.
- 10.4 The Company shall allot and issue such new MYEG Shares and/or transfer from its treasury shares to the Grantee in accordance with the provisions of the Company's Constitution, the Central Depositories Act and the Rules of Bursa Depository, despatch the notice of allotment to the Grantee and make an application for the listing of and quotation for the MYEG Shares (as the case may be) within eight (8) Market Days after the date of receipt by the Company of the aforesaid notice and remittance from the Grantee or such other period as may be prescribed or allowed by Bursa Securities.
- 10.5 The Company, the Board and the ESOS Committee shall not under any circumstances be held liable to any person for any costs, losses, expenses, damages or liabilities whatsoever and howsoever arising whether directly or indirectly in the event of any delay on the part of the Company in allotting and issuing the MYEG Shares and/or transferring from it treasury shares or in procuring the relevant authorities to list and quote the MYEG Shares for which a Grantee is entitled to subscribe, transfer or otherwise or any delay in receipt or non-receipt by the Company of the notice to exercise the Option(s) or for any errors in any Offers or any other matters or dealings which are outside the control of the Company, the Board and/or the ESOS Committee.
- 10.6 The Grantee who exercises his/her Option shall provide the ESOS Committee with his/her CDS Account number or the CDS Account number of his/her Authorised Nominee, as the case may be, in the notice referred to in Bylaw 10.1 hereof. The MYEG Shares to be issued and/or transferred pursuant to the exercise of an Option will be credited directly into the CDS Account of the Grantee or his/her Authorised Nominee, as the case may be and a notice of allotment stating the number of shares credited into such CDS Account will be issued to the Grantee within eight (8) Market Days from the receipt by the Company of the written notice of exercise of the Option together with the requisite remittance of subscription/ exercise monies or such other period as may be prescribed or allowed by Bursa Securities and no physical share certificate will be issued.
- 10.7 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 ESOS Committee shall have the right, to suspend the Grantee's Option pending the outcome of such disciplinary proceedings. The ESOS Committee may impose such terms and conditions as the ESOS Committee shall deem appropriate having regard to the nature of the charges made or brought against the Grantee PROVIDED ALWAYS THAT:
- (a) in the event that such Grantee shall subsequently be found not guilty of the charges which give rise to such disciplinary proceedings, the ESOS Committee shall reinstate the rights of such Grantee to exercise his/her Option;
 - (b) in the event the disciplinary proceedings result in a recommendation for the dismissal or termination of service of such Grantee, the Option shall immediately cease without notice and be null and void and of no further force and effect upon pronouncement of the dismissal or termination of service of such Grantee notwithstanding that such recommendation may be subsequently challenged by the Grantee in any other forum; and
 - (c) in the event such Grantee is found guilty but not dismissed or termination of service is not recommended, the ESOS Committee shall have the right to determine at its discretion whether or not the Grantee may continue to exercise his/her Option and if so, to impose such limits, terms and conditions as it deems appropriate, on such exercise.

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The Board may, after a warning /caution letter has been issued to a Grantee by the relevant corporation within the MYEG Group, recommend to the ESOS Committee to suspend the Grantee's Option. The ESOS Committee shall, upon receipt of such recommendation by the Board, suspend the Grantee's Option until such time as the Board determines at its discretion whether or not the Grantee may continue to exercise his/her Option and if so, whether to impose such limits, terms and conditions as the Board deems appropriate, on such exercise.

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

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

10.8 All Options to the extent unexercised on the expiry of the Option Period applicable thereto shall lapse.

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

10.10 Every Option shall be subjected to the condition that no new MYEG Shares shall be issued and/or transferred via treasury shares pursuant to the exercise of an Option if such issue and/or transfer would be contrary to any law, enactment, rule and/or regulation of any legislative or non-legislative body which may be in force during the Option Period or such period as may be extended.

10.11 In implementing this Scheme but subject to the Act, Main Market Listing Requirements, Constitution, the ESOS Committee and the applicable laws may at its absolute discretion decide that the Options be satisfied by the following methods:

- (a) issuance of new MYEG Shares;
- (b) transfer of MYEG's treasury shares (if any) or any other methods as may be permitted by the Act; or
- (c) a combination of any of the above.

11. RIGHTS ATTACHING TO OPTIONS AND THE MYEG SHARES

11.1 The Options shall not carry any right to vote at any general meeting of the Company.

11.2 A Grantee shall not be entitled to any dividends, rights or other entitlements, on his/her unexercised and/or unvested Option(s) in relation to the MYEG Shares yet to be issued.

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- 11.3 The MYEG Shares to be issued and/or transferred via treasury shares upon the exercise of the Options (as the case may be) shall upon allotment and issuance or transfer (as the case may be) and full payment, rank equally in all respects with the then existing MYEG Shares save and except that they shall not be entitled to any dividends, rights, allotments and/or other forms of distributions declared, made or paid to ordinary Shareholders, where the Entitlement Date precedes the date of issuance and/or transfer (as the case may be) of the said MYEG Shares and are subject to the provisions of the Constitution of the Company and Main Market Listing Requirements, if any.
- 11.4 The MYEG Shares (including such MYEG's treasury share(s) transferred upon exercise of an Option) will be subject to all provisions of the Constitution of the Company.

12. NON-TRANSFERABILITY

- 12.1 An Option is personal to the Grantee and subject to the provisions of Bylaws 13.1, 13.2, 13.3 and 13.5, it is exercisable only by the Grantee personally during his/her lifetime whilst he/she is in the employment (and in the case of non-executive Director, whilst he/she is appointed) in any corporation in the MYEG Group.
- 12.2 An Option so granted shall not be transferred, assigned, disposed of or subject to any encumbrances by the Grantee save and except in the event of the death of the Grantee as provided under Bylaw 13.5. Any such transfer, assignment, disposal or encumbrance shall result in the automatic cancellation of the Option.

13. TERMINATION / LAPSING OF THE OPTION

- 13.1 In the event a Grantee ceases to be in the employment of the MYEG Group (and in the case of a non-executive Director, resigning from the Board) for whatever reason prior to the full exercise of an Option, such Option or the balance thereof, as the case may be, shall forthwith cease to be valid without any claim against the Company PROVIDED ALWAYS THAT the ESOS Committee may, at its absolute discretion, by notice in writing, permit such Option to remain exercisable during the Option Period if such cessation occurs by reason of:
- (i) retirement on attaining the retirement age under MYEG Group's retirement policy; or
 - (ii) retirement before attaining the normal retirement age but with the consent of the ESOS Committee; or
 - (iii) transfer to any corporation outside the MYEG Group at the direction of the Company;
 - (iv) redundancy; or
 - (v) death, ill-health, injury, physical or mental disability or insanity;
 - (vi) the bankruptcy of the Grantee; or
 - (vii) any other circumstances which are acceptable to the ESOS Committee subject to the approval and/or ratification by the Board.

Upon the Options ceasing and lapsing pursuant to the above, the Grantee shall have no right to compensation or damages or any claim against the Company for any loss of any right or benefit under the Scheme which he/she might otherwise have enjoyed, whether for wrongful dismissal or breach of contract or loss of office or otherwise howsoever arising from his/her ceasing to hold office or employment or from the suspension of his/her right to exercise his/her Option(s) or his/her Option(s) ceasing to be valid.

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- 13.2 Unless otherwise agreed in writing by the ESOS Committee at its absolute discretion, upon the resignation of the Grantee from his/her employment or directorship with the MYEG Group (as the case may be), an Option shall lapse forthwith on the date the Grantee tenders his/her resignation. Any Option which lapses upon the resignation of the Grantee from his/her employment or directorship with MYEG Group (as the case may be), at the discretion of the ESOS Committee, shall be offered to other Eligible Persons.
- 13.3 In the event of the liquidation of the Company, all unexercised or partially exercised Options shall lapse.
- 13.4 Where a Grantee dies before the expiry of the Option Period and the ESOS Committee permits such Grantee's unexercised Option(s) to remain exercisable, the whole or any part of the Option(s) held by the Grantee that is unexercised may be exercised by the legal representatives of the Grantee in accordance with the terms and/or conditions as set out by the ESOS Committee PROVIDED ALWAYS THAT no Option shall be exercised after the expiry of the Option Period.

14. ALTERATION OF SHARE CAPITAL DURING THE OPTION PERIOD

- 14.1 Notwithstanding anything contained in these Bylaws and subject to any applicable laws and the Main Market Listing Requirements, in the event of any alteration in the capital structure of the Company during the Option Period, whether by way of a capitalisation issue, rights issue, bonus issue, consolidation or subdivision of MYEG Shares or reduction of capital or any other variation of capital, the Company shall cause such adjustment to be made to:
- (a) the number of MYEG Shares which a Grantee shall be entitled to subscribe for upon the exercise of each Option; and/or
 - (b) the Exercise Price.
- 14.2 The following provisions shall apply in relation to an adjustment which is made pursuant to Bylaw 14.1:
- (a) any adjustment to the Exercise Price shall be rounded up to the nearest one (1) sen; and
 - (b) in determining a Grantee's entitlement to subscribe for MYEG Shares, any fractional entitlements will be disregarded.
- 14.3 Bylaw 14.1 shall not be applicable where an alteration in the capital structure of the Company arises from any of the following:
- (a) an issue of new MYEG Shares or other securities convertible into MYEG Shares or rights to acquire or subscribe for MYEG Shares in consideration or part consideration for an acquisition of any other securities, assets or business by the Company and/or its related corporation;
 - (b) a special issue of new MYEG Shares to Bumiputera investors nominated by the Ministry of International Trade and Industry, Malaysia and/or other government authority to comply with the Government policy on Bumiputera capital participation;
 - (c) a private placement/restricted issue of new MYEG Shares by the Company;
 - (d) an issue of new MYEG Shares arising from the exercise of any conversion rights attached to securities convertible to MYEG Shares or upon exercise of any other rights including warrants and/or convertible loan stocks (if any) issued by the Company;

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- (e) an issue of new MYEG Shares upon the exercise of Options pursuant to the Scheme;
 - (f) any issue of MYEG Shares pursuant to a dividend reinvestment scheme in accordance with the Main Market Listing Requirements;
 - (g) a share buy-back arrangement by the Company, pursuant to Section 127 of the Act; and
 - (h) an issue of further Options to Eligible Persons under these Bylaws.
- 14.4 In the event that the Company enters into any scheme of arrangement or reconstruction pursuant to Division 7 of Part III of the Companies Act 2016, Bylaw 14.1 shall be applicable in respect of such part(s) of the scheme which involve(s) any alteration(s) in the capital structure of the Company, save that Bylaw 14.3 shall be applicable in respect of such part(s) of the Scheme which involve(s) any alteration(s) in the capital structure of the Company which falls within Bylaw 14.3.
- 14.5 In the event the Court sanctions a compromise or arrangements between the Company and its members proposed for the purposes of, or in connection with, a scheme for arrangement or reconstruction of the Company under the Act or its amalgamation with any other company or companies under the Act any Option should remain exercisable by the Grantee at any time and from time to time in the period commencing with the date upon which the compromise or arrangements is sanction by the court and ending with the date upon which it becomes effective or within the Option Period, whichever expires first. Upon the compromise or arrangement becoming effective, all Options, to the extent unexercised shall automatically lapse and shall become null and void.
- 14.6 Upon any adjustment being made, the ESOS Committee shall within twenty-one (21) Market Days of the effective date of such adjustment or such other time period as may be prescribed by Bursa Securities or such other relevant authorities from time to time give notice in writing to the Grantee, or his/her legal or personal representative where the Grantee is deceased, to inform him/her of the adjustment and the event giving rise thereto.
- 14.7 Save for any alteration in the capital structure of the Company during the Option Period arising from bonus issues, subdivision or consolidation of shares, all adjustments must be confirmed in writing either by the external auditors or MYEG's Principal Adviser, acting as an expert and not as an arbitrator, to be in his/her opinion fair and reasonable. In addition, the Company shall, at the request of any Grantee, furnish such Grantee with a certificate from an approved company auditor or MYEG's Principal Adviser (as the case may be) to the effect that in the opinion of such auditor or MYEG's Principal Adviser (as the case may be), acting as an expert and not as an arbitrator, an adjustment is fair and reasonable either generally or as regards such Grantee, and such certification shall be final and binding on all parties. For the purposes of this Bylaw, an approved company auditor shall have the meaning given in Section 2 of the Act and shall be the external auditors for the time being of the Company or such other external auditors as may be nominated by the Board.
- 14.8 The Company shall be guided by the adjustment as provided in Bylaw 14.9 in determining the adjustments to be made pursuant to this Bylaw 14.

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14.9 In addition to Bylaw 14.1 and not in derogation thereof, the Exercise Price and the number of MYEG Shares relating to the Option so far unexercised shall from time to time be adjusted in accordance with the following relevant provisions in consultation with the external auditors and/or MYEG's Principal Adviser:

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

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

$$(ii) \quad \text{Adjusted number of MYEG Shares} = \frac{T \times M}{L}$$

Where:

L = the aggregate number of MYEG Shares in issue immediately prior to the consolidation or subdivision or conversion; and

M = the aggregate number of MYEG Shares in issue immediately after such consolidation or subdivision or conversion; and

S = existing Exercise Price; and

T = existing number of MYEG Shares relating to the Option that remains unexercised; and

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

- (b) If whenever the Company shall make any issue of MYEG Shares to ordinary shareholders for which no consideration is payable but which are credited as fully paid, by way of capitalisation of profits or reserves (including any capital redemption reserve fund and other than an issue of MYEG Shares to its members who had an option to take cash or other dividend in lieu of the relevant MYEG Shares), the Exercise Price shall be adjusted as follows::

$$\text{New Exercise Price} = S \times \frac{A}{(A + B)}$$

and the adjusted number of MYEG Shares relating to the Option shall be calculated as follows:

$$\text{Adjusted number of MYEG Shares} = \frac{T \times (A + B)}{A}$$

Where:

A = the aggregate number of issued MYEG Shares on the Entitlement Date immediately before such capitalisation;

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

S = as above.

T = as above.

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

(c) If and whenever the Company shall make:

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

then and in respect of each such case, the Exercise Price shall be adjusted as follows:

$$\text{New Exercise Price} = S \times \frac{C - D}{C}$$

and in respect of the case referred to in Bylaw 14.9(c)(ii) hereof, the adjusted number of MYEG Shares comprised in the Option to be issued shall be calculated as follows:

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

Where:

T = as above;

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

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- D = (i) in the case of an offer or invitation to acquire or subscribe for MYEG Shares by way of rights under Bylaw 14.9(c)(ii) above or for securities convertible into MYEG Shares or securities with rights to acquire or subscribe for MYEG Shares under Bylaw 14.9(c)(iii) above, the value of rights attributable to one (1) MYEG Share (as defined below); or
- (ii) in the case of any other transaction falling within Bylaw 14.9(c) hereof, the fair market value, as determined by the external auditors and/or MYEG's Principal Adviser, of that portion of the Capital Distribution attributable to one (1) MYEG Share.

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

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

Where:

- C = as C above;
- E = the consideration for one (1) additional MYEG Share under the terms of such offer or invitation or exercise price for one (1) additional MYEG Share upon conversion of the convertible securities or exercise of such rights to acquire or subscribe for one (1) MYEG Share under the offer or invitation;
- F = the number of MYEG Shares which it is necessary for a MYEG shareholder to hold in order to be offered or invited to acquire or subscribe for one (1) additional MYEG Share or security convertible into rights to acquire or subscribe for one (1) additional MYEG Share; and
- D* = the value of rights attributable to one (1) MYEG Share (as defined below).

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

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

Where:

- C = as C above;
- E* = the acquisition/ subscription price for one (1) additional MYEG Share under the terms of such offer or invitation; and
- F* = the number of MYEG Shares which it is necessary for a MYEG shareholder to hold in order to be offered or invited to acquire or subscribe for one (1) additional MYEG Share.

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For the purpose of Bylaw 14.9(c) hereof, "Capital Distribution" shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividend) or by way of issue of MYEG Shares (not falling under Bylaw 14.9 (b) hereof) or other securities credited as fully or partly paid-up by way of capitalisation of profits or reserves (including any capital redemption reserve fund) but excluding an issue of MYEG Shares to its members who had an option to take cash or other dividend in lieu of the relevant MYEG Shares.

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

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

- (d) If and whenever the Company makes an allotment to its ordinary shareholders as provided in Bylaw 14.9(b) above and also makes an offer or invitation to its ordinary shareholders as provided in Bylaw 14.9(c)(ii) or (iii) above and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the Exercise Price shall be adjusted as follows:

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

and where the Company makes an allotment to its ordinary shareholders as provided in Bylaw 14.9(b) above and also makes an offer or invitation to its ordinary shareholders as provided in Bylaw 14.9(c)(ii) above and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the adjusted number of MYEG Shares relating to the Option to be issued shall be calculated as follows:

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

Where:

B = as B above;

C = as C above;

G = the aggregate number of issued MYEG Shares on the Entitlement Date;

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

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

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

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

T = as T above.

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

- (e) If and whenever the Company makes any offer or invitation to its ordinary shareholders to acquire or subscribe for MYEG Shares as provided in Bylaw 14.9(c)(ii) above together with an offer or invitation to acquire or subscribe for securities convertible into or rights to acquire or subscribe for MYEG Shares as provided in Bylaw 14.9(c)(iii) above, the Exercise Price shall be adjusted as follows:

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

and the adjusted number of MYEG Shares relating to the Option to be issued shall be calculated as follows:

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

Where:

C = as C above;

G = as G above;

H = as H above;

H* = as H* above;

I = as I above;

I* = as I* above;

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

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

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T = as T above.

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

- (f) If and whenever the Company makes an allotment to its ordinary shareholders as provided in Bylaw 14.9(b) above and also makes an offer or invitation to acquire or subscribe for MYEG Shares to its ordinary shareholders as provided in Bylaw 14.9(c)(ii) above, together with rights to acquire or subscribe for MYEG Shares as provided in Bylaw 14.9(c)(iii) above, and the Entitlement Date for the purpose of allotment is also the Entitlement Date for the purpose of the offer or invitation, the Exercise Price shall be adjusted as follows:

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

and the adjusted number of MYEG Shares relating to the Option to be issued shall be calculated as follows:

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

Where:

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

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

- (g) For the purpose of Bylaw 14.9:

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

- 14.10 Notwithstanding the other provisions referred to in Bylaw 14.9, in any circumstances where the ESOS Committee considers that adjustments to the Exercise Price and/or any additional MYEG Shares relating to Options to be issued as provided for under the provisions hereof should not be made or should be calculated on a different basis or different date or that an adjustment to the Exercise Price and/or the issuance/ transfer of additional MYEG Shares relating to Options should be made notwithstanding that no adjustment or further issuance is required under the provisions hereof, the Company may appoint the external auditors and/or MYEG's Principal Adviser to consider whether for any reasons whatever the adjustment calculation or determination to be made (or the absence of an adjustment calculation or determination) is appropriate or inappropriate as the case may be. If such external auditors and/or MYEG's Principal Adviser shall consider the adjustment calculation or determination to be inappropriate, the adjustments shall be modified or nullified (or an adjustment calculation or determination made even though not required to be made) in such manner as may be considered by such external auditors and/or MYEG's Principal Adviser to be in their opinion appropriate.

15. QUOTATION OF NEW MYEG SHARES

- 15.1 If at the time of allotment of the new MYEG Shares pursuant to the exercise of an Option, the existing issued MYEG Shares are quoted on Bursa Securities, the Company shall make an application to Bursa Securities for the listing of and quotation for the new MYEG Shares so allotted in accordance with Bylaw 10.4.
- 15.2 The Company and the ESOS Committee shall not be liable for any losses, costs and damages relating to the delay on the part of the Company in allotting and issuing the MYEG Shares under any circumstances.

16. RETENTION PERIOD

The ESOS Committee shall be entitled to prescribe or impose, in relation to any Offer, any condition relating to any retention period or restriction on transfer of the MYEG Shares as it deems fit. The Grantees are encouraged to hold the MYEG Shares as an investment rather than for any speculative purposes and/or the realisation of any immediate gain.

Notwithstanding the above, pursuant to Paragraph 8.20 of the Main Market Listing Requirements, a non-executive director must not sell, transfer or assign MYEG Shares obtained through the exercise of ESOS Options within one (1) year from the Date of Offer.

17. ADMINISTRATION

- 17.1 This Scheme shall be administered by the ESOS Committee comprising such persons as shall be appointed from time to time by the Board of MYEG. The Board of MYEG shall have the discretion as it deems fit to approve, rescind and/or revoke the appointment of any person in the ESOS Committee. The ESOS Committee shall be vested with such powers and duties as are conferred upon it by the Board of MYEG to administer the Scheme in such manner it shall in its discretion deem fit, in accordance with the provisions set out in these Bylaws. The ESOS Committee may, for the purpose of administering the Scheme, do all 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 Scheme which the ESOS Committee may in its discretion consider to be necessary or desirable for giving full effect to the Scheme.

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- 17.2 Any decision or determination of the ESOS Committee made pursuant to the provisions of the Scheme (other than a matter to be certified and/or approved by the external auditors or the Company's Principal Advisers) shall be final, binding and conclusive (including for the avoidance of doubt, any decision pertaining to any dispute as to the interpretation of the Scheme or any rule, regulation or procedure hereunder or as to any rights under the Scheme). The ESOS Committee shall not be required to furnish any reason for any decision or determination made by it except as may be required by the relevant authorities.
- 17.3 If in consequence of an error or omission, the ESOS Committee discovers or determines that:
- (a) an Eligible Person has not been given the opportunity to participate in the Scheme on any occasion; or
 - (b) the number of MYEG Share(s) comprised in any Option is found to be incorrect;
- the ESOS Committee may subject to Bylaw 5.11 do all such acts and things to rectify such error or omission and ensure that the Eligible Person is given the opportunity to participate in the Scheme and/or the number of MYEG Share(s) under Option(s) is corrected.
- 18. AMENDMENT AND/OR MODIFICATION TO THE SCHEME**
- 18.1 Subject to the compliance with the requirements of Bursa Securities and any other relevant authorities and their approvals being obtained (if required under the Main Market Listing Requirements and applicable laws and regulations), the ESOS Committee may at any time and from time to time recommend to the Board any additions or amendments to or deletions of these Bylaws as it shall in its discretion think fit and the Board shall have the power by resolution to add to, amend or delete all or any of these Bylaws upon such recommendation PROVIDED ALWAYS THAT no additions or amendments to or deletions of these Bylaws shall be made which will:
- (a) Prejudice any rights then accrued to any Grantee without the prior consent or sanction of that Grantee;
 - (b) Prejudice any rights of the shareholders of the Company without the prior approval of the Company's shareholders in a general meeting; or
 - (c) Alter to the advantage of any Eligible Person in respect of any matters which are required to be contained in the Bylaws by virtue of Appendix 6E of the Main Market Listing Requirements, without the prior approval of the Company's shareholders in a general meeting unless allowed otherwise by the provisions of the Main Market Listing Requirements.
- 18.2 Any amendments/modifications to the Bylaws shall not contravene any of the provisions of the guidelines on employee share issuance schemes as stipulated under the Main Market Listing Requirements and/or any other relevant regulatory authority in relation to ESOS.
- 18.3 Upon amending and/or modifying all or any of the provisions of the Scheme, the Company shall within five (5) Market Days after the effective date of the amendments caused to be submitted to Bursa Securities the amended Bylaws and a confirmation letter in the form required under the Main Market Listing Requirements that the said amendment and/or modification complies and does not contravene any of the provisions of the Main Market Listing Requirements on ESOS and the Rules of Bursa Depository.
- 18.4 The Grantees shall be given written notices in the term and conditions prescribed by the ESOS Committee from time to time if any conditions, amendments to and/or modifications of these Bylaws within five (5) Market Days of any of the foregoing taking effect.

19. DISPUTES

In the event of any dispute or difference arising between the ESOS Committee and an Eligible Person or a Grantee, as to any matter or thing of any nature arising hereunder, the ESOS Committee shall determine such dispute or difference by a written decision (without the obligation to give any reason thereof) to the Eligible Person or the Grantee, as the case may be provided that where the dispute or difference is raised by a member of the ESOS Committee, the said member shall abstain from voting in respect of the decision of the ESOS Committee in that instance. The said decision shall be final and binding on the parties in all respect.

20. SCHEME NOT A TERM OF EMPLOYMENT

This Scheme shall not form part of or constitute or in any way be construed as a term or condition of employment of any employee. This Scheme shall not confer or be construed to confer on an Eligible Person any special rights or privileges over the Eligible Person's terms and conditions of employment in the MYEG Group under which the Eligible Person is employed or any rights additional to any compensation or damages that the Eligible Person may be normally entitled to arising from the cessation of such employment.

21. COSTS AND EXPENSES

All fees, costs and expenses incurred in relation to the administration and management of the Scheme including but not limited to the fees, costs and expenses relating to the allotment and issuance of the MYEG Shares and/or transfer from treasury shares pursuant to the exercise of any Option shall be borne by the Company. Notwithstanding this, the Grantee shall bear any fees, costs and expenses incurred in relation to his/her acceptance, exercise and/or loss of the Option(s), loss of Option certificate(s), opening and maintaining of his/ her respective CDS Account and sale of MYEG Shares in the market.

22. CONSTITUTION

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

23. INSPECTION OF AUDITED ACCOUNTS

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

24. TRANSFER FROM OTHER CORPORATIONS TO THE MYEG GROUP

In the event that:

- (i) a Director or an Employee who was employed in a corporation which is not within the MYEG Group and is subsequently transferred from such corporation to any corporation within the MYEG Group; and

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- (ii) a Director or an Employee who was in the employment of a corporation which subsequently becomes a member of the MYEG Group as a result of a restructuring exercise or otherwise involving MYEG and/or any corporation within the MYEG Group with any of the first mentioned company stated in (i) above;

(the first mentioned corporation in (i) and (ii) above are hereinafter referred to as the "Previous Company"), such a Director or an Employee of the Previous Company ("the Affected Director/Employee"), subject to Bylaw 6 hereof, will:

- (i) be entitled to continue to exercise all such unexercised Option(s) which were granted to him/her under the Previous Company's ESOS in accordance with the Bylaws of such Previous Company's ESOS but he/she shall not, upon such transfer or restructuring or divestment as the case may be, be eligible to participate for further options of such Previous Company's ESOS; and/or
- (ii) be eligible to participate in the Scheme only for the remaining duration of the Scheme, subject to the ESOS Committee's approval; and/or
- (iii) if the Affected Director/Employee had participated in the Previous Company's ESOS, the number of MYEG Shares to be offered to such Affected Director/Employee under the Scheme shall be subject to the discretion of the ESOS Committee.

25. DIVESTMENT FROM THE MYEG GROUP

25.1 If a Grantee who was in the employment of a corporation in the MYEG Group, which was subsequently divested wholly, or in part, from the MYEG Group, then such Grantee:

- (i) may at the discretion of the ESOS Committee, be entitled to continue to exercise all such unexercised Option(s) which were granted to him/her under the Scheme within a period of six (6) months from the date of completion of such divestment and within the Option Period, failing which the right of such Grantee to subscribe for that number of the MYEG Shares or any part thereof granted under such unexercised Option(s) shall automatically lapse upon the expiration of the said six (6)-month period and be null and void and of no further force and effect; and
- (ii) shall not be eligible to participate for further Option(s) under the Scheme. For the avoidance of doubt, where the Grantee was in the employment of a corporation in the MYEG Group and that Company was subsequently partially divested from the MYEG Group, which resulted in a subsequent holding of fifty percent (50%) or more by the MYEG Group, then such Grantee shall be entitled to all his/ her rights in relation to the unexercised Option(s) and he/ she shall be eligible for further participation of the Option(s) under the Scheme.

25.2 For the purpose of Bylaw 25.1, a corporation shall be deemed to be divested from the MYEG Group in the event that such corporation would no longer be a subsidiary of MYEG pursuant to Section 4 of the Act.

26. TAKEOVER

Notwithstanding Bylaw 10 hereof and subject to the provisions of any applicable statutes, rules, regulations and/or conditions issued by the relevant regulatory authorities, in the event of:

- (i) a take-over offer being made for the Company, under the Malaysian Rules on Take-Over, Mergers and Compulsory Acquisition, to acquire the whole of the issued ordinary share capital of the Company (or such part thereof not at the time held by the person making the take-over offer ("Offeror") or any persons acting in concert with the Offeror), any unexercised Options shall remain in force and be exercisable until the expiry of the Option Period applicable thereto unless otherwise determined by the ESOS Committee at its absolute discretion; and
- (ii) the Offeror becoming entitled or bound to exercise the right of compulsory acquisition of MYEG Shares under the provisions of the Capital Markets and Services Act 2007 and gives notice to the Company that it intends to exercise such right on a specific date, a Grantee will be entitled to exercise all or any part of his/her Option(s) from the date of service of the said notice to the Company until and inclusive of the date on which the right of compulsory acquisition is exercised PROVIDED ALWAYS THAT any Options to the extent unexercised after the date on which the right of compulsory acquisition is exercised shall lapse and immediately cease to have any effect.

27. SCHEME OF ARRANGEMENT, AMALGAMATION AND RECONSTRUCTION

Notwithstanding Bylaw 10 hereof and subject to the discretion of the ESOS Committee, in the event of the court sanctioning a compromise or arrangement between the Company and its members proposed for the purposes of, or in connection with, a scheme of arrangement and reconstruction of the Company under the Act or its amalgamation with any other company or companies under the Act, any Option shall remain exercisable by the Grantee at any time commencing from the date upon which the compromise or arrangement is sanctioned by the court and ending on the date upon which it becomes effective or such other date as the ESOS Committee may deem fit. Upon such date, all Options, to the extent unexercised shall automatically lapse and shall become null and void.

28. SUBSEQUENT EMPLOYEE SHARE ISSUANCE SCHEMES

Without derogating the right of the Company to implement more than one (1) ESOS during the duration of this Scheme as set out in Bylaw 3.3, the Company may establish a new ESOS after the Date of Expiry subject to the approval of the relevant authorities and/or the shareholders of the Company.

29. NO COMPENSATION

- 29.1 A Grantee who ceases to hold office or employment shall not be entitled to any compensation for the loss of any right or benefit or prospective right or benefit under the Scheme which he/she 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.
- 29.2 No Eligible Person or Grantee or legal personal representatives shall bring any claim, action or proceeding against the Company or the Board of MYEG or the ESOS Committee or any other party for compensation, loss or damages whatsoever and howsoever arising from the suspension of his/her rights to exercise his/her Option(s) or his/her Option(s) ceasing to be valid pursuant to the provisions of these Bylaws, as may be amended from time to time in accordance with Bylaw 18 hereof.

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30. TAXES

All taxes (including income tax), if any, arising from the exercise of any Option under the Scheme shall be borne by the Grantee.

31. WINDING UP

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

32. SEVERABILITY

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

33. GOVERNING LAW AND JURISDICTION

33.1 These Bylaws shall be governed and construed in accordance with the laws of Malaysia and the Grantee shall submit to the exclusive jurisdiction of the Courts of Malaysia in all matters connected with the obligations and liabilities of the parties hereto under or arising out of these Bylaws.

33.2 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.

33.3 Any Offer made to Eligible Persons pursuant to the Scheme is strictly made in Malaysia only and shall not be deemed to be made or offered in any country or jurisdiction other than Malaysia unless specifically mentioned otherwise by the ESOS Committee in the Offer.

33.4 In order to facilitate the making of an Offer under the Scheme, the Board may provide for such special terms and conditions to apply to such Offers to Eligible Persons who are employed by a corporation within the MYEG 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 to accommodate differences in applicable law, tax policy or custom. Moreover, the Board may approve such supplements to or amendments or restatements of the Scheme as it may consider necessary or appropriate for such purposes, without thereby affecting the terms and conditions of the Scheme as they are in effect, and the secretary of the Company or any other appropriate officer of the Company may certify any such document as having or any other appropriate officer of the Company may certify such document as having been approved and adopted in the same manner as this Scheme. No such special terms, supplements or amendments however shall include any provision that is inconsistent with the terms and/or conditions of this Scheme as then in effect unless this Scheme could have been amended to eliminate such inconsistency.

34. NOTICE

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

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

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

- 34.2 Any certificate, notification or other notice required to be given to the Company or the ESOS Committee shall be properly given if sent by registered post or delivered by hand to the Company at its business address at Level 43A, MYEG Tower, Empire City, No. 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor, Malaysia or any other business address which may be notified in writing by the ESOS Committee from time to time.
- 34.3 Notwithstanding Bylaw 34.1, where any notice is required to be given by the Company or the ESOS Committee under these Bylaws in relation to matters which may affect all Grantees or Eligible Persons, as the case may be, the Company or the ESOS Committee may give notice through an announcement to all Grantees, Eligible Persons and/or employees of the MYEG Group to be made in such manner deemed appropriate by the ESOS Committee. Upon the making of such an announcement, the notice to be made under Bylaw 34.1 shall be deemed to be sufficiently given, served or made to all affected Grantee or Eligible Person, as the case may be.

35. DECISION OF ESOS COMMITTEE

- 35.1 Any decision made by the ESOS Committee under the Bylaws shall, save for any manifest or error, be final and binding.

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APPENDIX III – FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Board, and the Directors collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. CONSENT

UOBKH, being the Adviser for the Proposals, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

3. DECLARATION OF CONFLICT OF INTERESTS

UOBKH has given their written confirmation that there are no situations of conflict of interests that exist or is likely to exist in relation to its role as the Adviser to MYEG for the Proposals.

4. MATERIAL LITIGATION

As at the LPD, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board is not aware and has no knowledge of any proceedings pending or threatened against our Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the financial position or business of our Group.

5. MATERIAL COMMITMENTS

As at the LPD, our Board is not aware of any material commitments incurred or known to be incurred by our Group that has not been provided for which, upon becoming enforceable, may have a material impact on the financial results/ position of our Group.

6. CONTINGENT LIABILITIES

As at the LPD, our Board is 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 the financial results/ position of our Group.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of MYEG at 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, during the normal business hours from Monday to Friday (except public holidays) from the date hereof up to the time stipulated for the holding of the EGM:-

- i. Constitution of MYEG;
- ii. Audited consolidated financial statements of our Group for the past 2 financial periods up to the 15-month FPE 31 December 2019 and the latest unaudited quarterly results for the 3-month FPE 31 March 2020;
- iii. The letter of consent and declaration of conflict of interests referred to in Sections 2 and 3 above, respectively; and
- iv. The draft Bylaws.



MY E.G. SERVICES BERHAD
[Registration No. 200001003034 (505639-K)]
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("**EGM**") of MY E.G. Services Berhad ("**MYEG**" or the "**Company**") will be held as a virtual meeting through live streaming and online remote voting using Remote Participation and Voting ("**RPV**") facilities via Vote2U at <https://web.vote2u.app> from the broadcast venue at Level 43A, MYEG Tower, Empire City, No. 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor Darul Ehsan, Malaysia ("**Broadcast Venue**") on Thursday, 6 August 2020 at 11.00 a.m., or immediately following the conclusion or adjournment of the Nineteenth Annual General Meeting of the Company scheduled to be conducted virtually from the Broadcast Venue on the same day at 10.00 a.m., whichever is later, for the purpose of considering and if thought fit, passing with or without modifications the resolutions set out in this Notice.

ORDINARY RESOLUTION 1

PROPOSED DIVERSIFICATION OF THE EXISTING BUSINESS OF MYEG AND ITS SUBSIDIARIES ("MYEG GROUP**") TO INCLUDE THE PROVISION OF FINANCIAL SERVICES ("**PROPOSED DIVERSIFICATION**")**

"THAT, subject to the approvals of the relevant authorities and/ or parties being obtained, approval be and is hereby given to MYEG Group to diversify into the provision of Financial Services as described in the Circular to the shareholders of MYEG ("**Shareholders**") dated 10 July 2020 ("**Circular**");

AND THAT the Board of Directors of MYEG ("**Board**") be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the Proposed Diversification with full power to assent to any conditions, variations, modifications, and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps to do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Diversification."

SPECIAL RESOLUTION 1

PROPOSED ESTABLISHMENT OF A DIVIDEND REINVESTMENT PLAN THAT PROVIDES SHAREHOLDERS WITH AN OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND IN NEW ORDINARY SHARES IN MYEG ("MYEG SHARE(S)**" OR "**SHARE(S)**") ("**PROPOSED DRP**") AND PROPOSED ISSUANCE OF NEW MYEG SHARES**

"THAT subject to the approvals of the relevant regulatory authorities for the Proposed DRP having being obtained to the extent permitted by law:-

- i. the Proposed DRP which shall upon such terms and conditions as the Board, at its sole absolute discretion, deem fit be and is hereby approved;
- ii. the Board be and is hereby authorised:-
 - a. to establish and implement the Proposed DRP;
 - b. to determine, at its sole and absolute discretion, whether the Proposed DRP will apply to any dividends (whether interim, final, special or any other cash dividend) ("**Dividend(s)**") declared and/ or approved by the Company;
 - c. to allot and issue such number of MYEG Shares from time to time as may be required to be allotted and issued pursuant to the Proposed DRP; and

- d. to sign and execute all documents, to do all acts, deeds and things and to enter into all transactions, arrangements and agreements as may be necessary and expedient in order to give full effect to the Proposed DRP and to implement, finalise and complete the Proposed DRP with full power to assent to any conditions, variations, modifications and/ or amendments in any manner, including amendments, modification, suspension and termination of the Proposed DRP, as the Board may, in its absolute discretion, deem fit and in the best interest of the Company and/ or as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all such acts, for and on behalf of the Company.

THAT the new MYEG Shares will, upon allotment and issuance, rank equally in all respects with the existing MYEG Shares, save and except that the holders of new MYEG Shares shall not be entitled to any dividends, rights, allotments and/ or any other forms of distributions that may be declared, made or paid to Shareholders where the entitlement date of such distributions precedes the relevant date of allotment and issuance of the new MYEG Shares;

THAT the issue price of the said new MYEG Shares, which will be determined and fixed by the Board on the price-fixing date to be determined, shall not be more than 10% discount to the 5-day volume weighted average market price ("**VWAP**") of MYEG Shares immediately preceding the price-fixing date, of which the VWAP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price at the material time;

AND THAT the Board be and is hereby authorised to do all such acts and enter into all such transactions, arrangements, deeds and undertakings and to execute, sign and deliver for and on behalf of the Company, all such documents and impose such terms and conditions or delegate all or any part of its powers as may be necessary or expedient in order to implement, finalise and give full effect to the issuance of new MYEG Shares pursuant to the Proposed DRP, with full power to assent to any conditions, modifications, variations and/ or amendments including amendments, modifications, suspension and termination of the Proposed DRP as the Board may, in its absolute discretion, deem fit and in the best interest of the Company and/ or as may be imposed or agreed to by any other relevant authorities."

SPECIAL RESOLUTION 2

PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME ("ESOS") OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF MYEG (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT IN TIME OVER THE DURATION OF THE ESOS ("PROPOSED ESOS")

"THAT subject to the approvals of all relevant regulatory authorities and/ or parties being obtained, including the approval of Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the listing of and quotation for the new MYEG Shares to be issued arising from the exercise of the options granted under the Proposed ESOS ("**ESOS Option(s)**"), approval be and is hereby given for the Board to:-

- i. establish, implement and administer the Proposed ESOS in accordance with the bylaws of the Proposed ESOS ("**Bylaws**"), a draft of which is set out in **Appendix II** of the Circular, to approve and adopt the Bylaws and to give effect to the Proposed ESOS with full power to assent to any conditions, variations, modifications and/ or amendments as may be required by the relevant authorities;
- ii. make the necessary applications and do all things necessary at the appropriate time or times to Bursa Securities for the listing of and quotation for the new MYEG Shares, which may from time to time be allotted and issued arising from the exercise of the ESOS Options;
- iii. issue and/ or transfer via treasury shares such number of MYEG Shares from time to time as may be required arising from the exercise of the ESOS Options, **PROVIDED THAT** the maximum number of MYEG Shares, which may be made available pursuant to the Proposed ESOS, shall not exceed in aggregate 10% of the total number of issued shares of the Company (excluding treasury shares) at any point in time during the duration of the Proposed ESOS **AND THAT** the MYEG Shares to be issued and/ or transferred via treasury shares upon the exercise of the ESOS Options, shall upon allotment and issuance or transfer and full payment, rank equally in all respects with the existing MYEG Shares, save and except that such MYEG Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distributions declared, made or paid to Shareholders where the entitlement date of such distributions precedes the relevant date of issuance and/ or transfer of such MYEG Shares;

- iv. modify and/ or amend the Proposed ESOS and/ or the Bylaws from time to time provided that such modifications and/ or amendments are permitted and effected in accordance with the provisions of the Bylaws relating to modifications and/ or amendments; and
- v. do all such acts and things, take such steps, execute all such documents and enter into all such arrangements, agreements, deeds and/ or undertakings with any party(ies) as they may deem fit, necessary, expedient and/ or appropriate in order to finalise, implement and/ or give full effect to the Proposed ESOS and terms of the Bylaws with full power to assent to any terms, conditions, modifications, variations and/ or amendments as may be agreed to or required by any relevant authorities or as a consequence of any such requirement as may be deemed necessary and/ or expedient and in the best interest of the Company."

SPECIAL RESOLUTIONS 3 TO 7

PROPOSED ALLOCATION OF ESOS OPTIONS TO THE DIRECTORS OF MYEG

"THAT, subject to the passing of the Special Resolution 2 and the approvals of the relevant authorities for the Proposed ESOS, including the approval from Bursa Securities for the listing of and quotation for the MYEG Shares to be issued arising from the exercise of the ESOS Options, having been obtained, approval be and is hereby given to the Board to authorise the ESOS Committee, at any time and from time to time throughout the duration of the Proposed ESOS, to offer and grant to the following Directors, ESOS Options to subscribe for MYEG Shares under the Proposed ESOS:-

i.	Dato' Dr Norraesah Binti Haji Mohamad	Special Resolution 3
ii.	Wong Thean Soon	Special Resolution 4
iii.	Tan Sri Dato' Dr Muhammad Rais Bin Abdul Karim	Special Resolution 5
iv.	Datuk Mohd Jimmy Wong Bin Abdullah	Special Resolution 6
v.	Wong Kok Chau	Special Resolution 7

Provided always that:-

- i. he/ she must not participate in the deliberation or discussion of his/ her own allocation;
- ii. the allocation to him/ her, who either singly or collectively, through person(s) connected to him/ her, holds 20% or more of the total number of issued shares of MYEG (excluding treasury shares), must not exceed 10% of the total number of MYEG Shares to be issued under the Proposed ESOS; and
- iii. subject always to such terms and conditions and/ or any adjustments which may be made in accordance with the provisions of the Bylaws, the Main Market Listing Requirements of Bursa Securities, or any prevailing guidelines issued by Bursa Securities or any other relevant authority, as amended from time to time.

AND THAT the Board is also authorised to allot and issue the corresponding number of new MYEG Shares arising from the exercise of the ESOS Options that may be granted to him under the Proposed ESOS."

By Order of the Board

TAI YIT CHAN (MAICSA 7009143)(SSM PC No.: 202008001023)
TAN AI NING (MAICSA 7015852)(SSM PC No.: 202008000067)
Company Secretaries
Selangor Darul Ehsan
10 July 2020

Notes:-

- The EGM of the Company will be held as a virtual meeting through live streaming and online remote voting using the RPV facilities via Vote2U at <https://web.vote2u.app>. Please refer to the Administrative Guide for the procedures to register, participate and vote remotely at the EGM through the RPV facilities.*
- In compliance with Section 327(2) of the Companies Act 2016, the Chairman shall be present at the main venue of the meeting in Malaysia and in line with the Securities Commission Malaysia's Guidance Note, the Broadcast Venue will be strictly limited to only essential individuals for organising and conducting the virtual EGM. No Shareholders and proxy(ies) will allowed to be physically present nor enter the Broadcast Venue.*

3. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, voting at the EGM will be conducted by poll rather than a show of hands. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.
4. A member entitled to attend, participate and vote at the virtual meeting is entitled to appoint a proxy(ies) to attend and vote in his/ her stead. If the proxy(ies) is not a member of the Company, he/ she need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies and there shall be no restriction as to qualification of the proxy(ies).
5. A member shall be entitled to appoint up to two (2) proxies or attorneys or authorised representatives to vote at the same virtual meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/ she specifies the proportion of his/ her shareholdings to be represented by each proxy.
6. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**Omnibus Account**"), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
7. An instrument appointing a proxy must be in writing under the hand of the appointer or his/ her attorney duly authorised and in the case of corporation shall be either under its common seal or under the hand of an officer or attorney duly authorised.
8. The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority may be deposited at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time for holding the virtual meeting (no later than Tuesday, 4 August 2020 at 11.00 a.m.) or any adjourned virtual meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.

Alternatively, individual Shareholders may choose to submit the electronic Proxy Form ("**e-Proxy Form**") using RPV facilities via Vote2U at <https://web.vote2u.app> no later than Tuesday, 4 August 2020 at 11.00 a.m. Please refer to the Administrative Guide for the procedures to submit the e-Proxy Form through the RPV facilities.
9. The appointment of the proxy(ies) will be **INVALID** if the Proxy Form is not completed correctly in accordance with the instructions stated in the form.
10. In respect of deposited securities, only members whose names appear on the Record of Depositors on 29 July 2020 (General Meeting Record of Depositors) shall be eligible to attend the virtual meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

Mode of Communication:

Prior to the EGM, Shareholders may submit questions to the Board of Directors at https://www.myeg.com.my/investor_relations (under the "General Meeting" tab) latest by 3 August 2020. During the EGM, Shareholders may submit questions by clicking on "Ask Question" on the RPV facilities while participating in the virtual meeting.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

MY E.G. SERVICES BERHAD
[Registration No. 200001003034 (505639-K)]
(Incorporated in Malaysia)

PROXY FORM

NUMBER OF SHARES HELD	CDS ACCOUNT NO.

I/We, _____ NRIC/Registration No. _____
(Full name in block letters)

of _____
(Full Address)

telephone no. _____ email address _____ being a member/members of **MY E.G. Services Berhad ("MYEG")** hereby appoint the person(s) below as my/our proxy(ies) to vote for me/us and on my/our behalf at the Extraordinary General Meeting ("EGM") of the Company which will be held as a virtual meeting through live streaming and online remote voting using Remote Participation and Voting ("RPV") facilities via Vote2U at <https://web.vote2u.app> from the broadcast venue at Level 43A, MYEG Tower, Empire City, No. 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor Darul Ehsan, Malaysia ("**Broadcast Venue**") on Thursday, 6 August 2020 at 11.00 a.m. or immediately following the conclusion or adjournment of the Nineteenth Annual General Meeting of the Company scheduled to be conducted virtually from the Broadcast Venue on the same day at 10.00 a.m., whichever is later.

IMPORTANT NOTE

Please (i) tick [✓] either **ONE** of the option (a) or (b) for the number of proxy which you wish to appoint, (ii) complete the details of your proxy/proxies and the proportion of your shareholding to be represented (if applicable), (iii) please tick [✓] option (c) if you would like to appoint the Chairman of the EGM as the proxy or failing the proxy to vote on your behalf and (iv) sign or execute this form.

Option	Name of proxy(ies)	NRIC/ Registration No.	Address & Email Address	Proportion of shareholding to be represented
(a)	Appoint ONE proxy only (Please complete details of proxy below)			100%
(b)	Appoint MORE THAN ONE proxy (Please complete details of proxies below)			
Proxy 1				%
Proxy 2				%
				100%
(c)	The Chairman of the EGM as my/our proxy and/or failing the above proxy to vote for me/us on my/our behalf			

*My/ our proxy/ proxies is/ are to vote as indicated below:-

Please indicate with "X" in the appropriate boxes on how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on the Resolutions, the proxy shall vote at his/her discretion, or abstain from voting as the proxy thinks fit.

NO.	ORDINARY RESOLUTION	FOR		AGAINST	
		Proxy 1	Proxy 2	Proxy 1	Proxy 2
1.	PROPOSED DIVERSIFICATION				
NO.	SPECIAL RESOLUTION	FOR		AGAINST	
		Proxy 1	Proxy 2	Proxy 1	Proxy 2
1.	PROPOSED DRP AND ISSUANCE OF NEW MYEG SHARES				
2.	PROPOSED ESOS				
3.	PROPOSED ALLOCATION OF ESOS OPTIONS TO DATO' DR NORRAESAH BINTI HAJI MOHAMAD				
4.	PROPOSED ALLOCATION OF ESOS OPTIONS TO WONG THEAN SOON				
5.	PROPOSED ALLOCATION OF ESOS OPTIONS TO TAN SRI DATO' DR MUHAMMAD RAIS BIN ABDUL KARIM				
6.	PROPOSED ALLOCATION OF ESOS OPTIONS TO DATUK MOHD JIMMY WONG BIN ABDULLAH				
7.	PROPOSED ALLOCATION OF ESOS OPTIONS TO WONG KOK CHAU				

Dated this _____ day of _____, 2020

Signature/ Common Seal of the shareholder of MYEG



NOTES:-

1. The EGM of the Company will be held as a virtual meeting through live streaming and online remote voting using the RPV facilities via Vote2U at <https://web.vote2u.app>. Please refer to the Administrative Guide for the procedures to register, participate and vote remotely through the RPV facilities.
2. In compliance with Section 327(2) of the Companies Act 2016, the Chairman shall be present at the main venue of the meeting in Malaysia and in line with the Securities Commission Malaysia's Guidance Note, the Broadcast Venue will be strictly limited to essential individuals for organising and conducting the virtual EGM. No shareholders and proxy(ies) will be allowed to be physically present nor enter the Broadcast Venue.
3. A member entitled to attend, participate and vote at the virtual meeting is entitled to appoint a proxy(ies) to attend and vote in his/ her stead. If the proxy(ies) is not a member of the Company, he/ she need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies and there shall be no restriction as to qualification of the proxy(ies).
4. A member shall be entitled to appoint up to two (2) proxies or attorneys or authorised representatives to vote at the same virtual meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/ she specifies the proportion of his/ her shareholdings to be represented by each proxy.
5. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**Omnibus Account**"), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.

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Stamp

The Share Registrar

MY E.G. SERVICES BERHAD
[Registration No. 200001003034 (505639-K)]

Ground Floor or 11th Floor,
Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan

Please fold here

6. An instrument appointing a proxy must be in writing under the hand of the appointer or his/ her attorney duly authorised and in the case of corporation shall be either under its common seal or under the hand of an officer or attorney duly authorised.
7. The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority may be deposited at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time for holding the virtual meeting (no later than Tuesday, 4 August 2020 at 11.00 a.m.) or any adjourned virtual meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.
Alternatively, individual shareholders may choose to submit the electronic Proxy Form ("**e-Proxy Form**") using RPV facilities via Vote2U at <https://web.vote2u.app> no later than Tuesday, 4 August 2020 at 11.00 a.m. Please refer to the Administrative Guide for the procedures to submit the e-Proxy Form through the RPV facilities.
8. The appointment of the proxy(ies) will be **INVALID** if this form is not completed correctly in accordance with the said instructions.
9. In respect of deposited securities, only members whose names appear on the Record of Depositors on 29 July 2020 (General Meeting Record of Depositors) shall be eligible to attend the virtual meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and /or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 10 July 2020.