

THIS CIRCULAR/STATEMENT TO SHAREHOLDERS OF YINSON HOLDINGS BERHAD ("YHB" OR "COMPANY") IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

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YINSON HOLDINGS BERHAD

Registration No. 199301004410 (259147-A)

(Incorporated in Malaysia under the Companies Act 1965 and deemed registered under the Companies Act 2016)

CIRCULAR/STATEMENT TO SHAREHOLDERS IN RELATION TO THE

PART A

PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

PART B

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

PART C

- (I) **PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE SCHEME 2023 OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF YHB (EXCLUDING TREASURY SHARES, IF ANY) ("PROPOSED ESS2023"); AND**
- (II) **PROPOSED ALLOCATION OF THE PROPOSED ESS2023 TO THE ELIGIBLE PERSONS WHO ARE EXECUTIVE DIRECTORS OF YHB AND/OR PERSONS CONNECTED WITH THEM ("PROPOSED ALLOCATION")**

(THE PROPOSED ESS2023 AND THE PROPOSED ALLOCATION ARE COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

TO BE TABLED AS SPECIAL BUSINESS AT THE COMPANY'S THIRTIETH (30TH) ANNUAL GENERAL MEETING

Principal Adviser



AmInvestment Bank

AmInvestment Bank Berhad

Registration No. 197501002220 (23742-V)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The resolutions in respect of the above will be tabled as Special Business at the Company's 30th Annual General Meeting ("**30TH AGM**") to be held on a virtual basis through live streaming from the broadcast venue at Yinson Global Headquarters, Level 16, Menara South Point, Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur, Malaysia on **Thursday, 13 July 2023 at 10.30 a.m.** or any adjournment thereof, for the purpose of considering the Proposed Amendments to Constitution, Proposed Renewal of Share Buy-Back Authority and Proposals. The notice of the 30TH AGM and the Form of Proxy are set out in the Company's Integrated Annual Report 2023 despatched together with this Circular/Statement.

The Form of Proxy must be completed and lodged at the office of the Company's Share Registrar, Securities Services (Holdings) Sdn Bhd, at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time and date fixed for holding the 30TH AGM or at any adjournment thereof. Alternatively, you may submit an e-Proxy form via Securities Services e-Portal at <https://sshsb.net.my/> ("**eProxy Lodgement**"). Please refer to the Administrative Details for the 30TH AGM for the steps on the e-Proxy Lodgement which is available on the Company's website at www.yinson.com. The lodging of the Form of Proxy will not preclude you from attending and voting remotely at the 30TH AGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Tuesday, 11 July 2023 at 10.30 a.m.

Date and time of the 30TH AGM : Thursday, 13 July 2023 at 10.30 a.m.

This Circular/Statement is dated 31 May 2023

DEFINITIONS

30TH AGM or AGM	: Annual general meeting of the Company
Act	: Companies Act 2016
AmInvestment Bank or Principal Adviser	: AmInvestment Bank Berhad, Registration No. 197501002220 (23742-V)
Awards	: The awards granted to the Selected Persons comprising the Share Grant and/or the Options
Board	: Board of Directors of YHB
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd, Registration No. 198701006854 (165570-W)
Bursa Securities	: Bursa Malaysia Securities Berhad, Registration No. 200301033577 (635998-W)
By-Laws	: The rules, terms and conditions of the Proposed ESS2023 governing the Proposed ESS2023
CDS Account	: The central depository system account as governed by the Securities Industry (Central Depositories) Act 1991 and as established by Bursa Depository for a depositor for the recording of deposits and withdrawals of securities and for dealings in such securities by that depositor
Circular/Statement	: This circular/statement to Shareholders dated 31 May 2023 in relation to the Proposed Amendments to Constitution, Proposed Renewal of Share Buy-Back Authority and Proposals
Code	: Malaysian Code on Take-Overs and Mergers 2016 read together with the Rules on Take-Overs, Mergers and Compulsory Acquisition, including any amendments that may be made from time to time
Constitution	: Constitution of YHB
Director(s)	: A natural person who holds a directorship in the Company, whether in an executive or non-executive capacity, within the meaning of Section 2(1) of the Capital Markets and Services Act 2017
Eligible Person(s)	: Any employee or Executive Directors of the YHB Group (excluding dormant subsidiaries) who fulfils the conditions of eligibility as stipulated in the By-Laws. For the avoidance of doubt, the Eligible Persons shall exclude the non-Executive Directors of YHB Group
EPF	: Employees Provident Fund Board
EPS	: Earnings per Share
ESS2015	: Employees' Share Scheme of YHB which took effect on 3 November 2015 and is expiring on 2 November 2025
ESS2023 or Scheme	: Employees' share scheme 2023 of YHB
Exercise Price	: The price which a Scheme Participant is required to pay to be entitled to subscribe for or acquire each YHB Share pursuant to the exercise of an Option
FYE	: Financial year ended/ending, as the case may be

DEFINITIONS (CONT'D)

Listing Requirements	: Main Market Listing Requirements of Bursa Securities, as amended from time to time
LPD	: 5 May 2023, being the latest practicable date prior to the printing of this Circular/Statement
LTIP	: Employees' long term incentive plan expiring on 31 January 2030
Major Shareholder(s)	<p>: A person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is:</p> <p>(a) 10% or more of the total number of voting shares in the Company; or (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company</p> <p>and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, such major shareholder of the company or any other company which is its subsidiary or holding company</p> <p>For the purpose of this definition, "interest in shares" has the meaning given in Section 8 of the Act</p>
Maximum Shares	: The maximum number of YHB Shares which may be made available under the Scheme which shall not exceed in aggregate 10% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the period of the Scheme
MFRS2	: Malaysian Financial Reporting Standard 2
NA	: Net assets
NRC	: Nominating and Remuneration Committee of the Company
Offer	: An offer of an Award made in writing by the NRC to the Selected Persons pursuant to the Proposed ESS2023
Offer Date	: The date on which an Offer is made or deemed made by the NRC to a Selected Person, which will be the date the Offer is served in accordance with the By-Laws
Official List	: The official list of the Main Market of Bursa Securities
Options	: A component of the Proposed ESS2023, being the right granted to the Scheme Participants subscribe for the YHB Shares at the Exercise Price, subject to the terms and conditions of the By-Laws
Proposals	: Collectively, the Proposed ESS2023 and the Proposed Allocation
Proposed Allocation	: Proposed allocation of the Awards to the Eligible Persons who are Executive Directors and/or persons connected with them pursuant to the Proposed ESS2023
Proposed Amendments to Constitution	: Proposed amendments to the Constitution of the Company
Proposed ESS2023	: Proposed establishment of an employees' share scheme for up to 10% of the total number of issued shares of YHB (excluding treasury shares, if any) at any point in time during the duration of the Scheme

DEFINITIONS (CONT'D)

Proposed Share Buy-Back/ Proposed Renewal of Share Buy-Back Authority	: Proposed renewal of shareholders' mandate authority for share buy-back of up to ten percent (10%) of the total number of issued shares of YHB
Purchased Shares	: Shares purchased pursuant to the Proposed Renewal of Share Buy-Back Authority
RM and sen	: Ringgit Malaysia and sen, respectively
Scheme Participant(s)	: Selected Persons who have duly accepted the Offer in accordance with the By-Laws
Selected Person	: An Eligible Person to whom an Offer has been made under the Proposed ESS2023
Share Grant	: A component of the Proposed ESS2023, being the rights granted to the Scheme Participant to receive new and/or existing YHB Shares, subject to the terms and conditions of the By-Laws
Share Grant Price	: The reference price which is used to determine the number of Share Grant to be granted as stipulated in the Offer
Senior Management	: Such employees as the NRC may in its sole discretion determine to be the senior management of the Group
Statement	: This Statement to Shareholders dated 31 May 2023 in relation to the Proposed Renewal of Share Buy-Back Authority
Substantial Shareholders	: A person who has an interest or interests in one or more voting shares in the Company and the number of the aggregate number of such shares is not less than 5% of the total number of all the voting shares in the Company upon the definition of Section 136 of the Act
Treasury Shares	: The Purchased Shares which are retained by the Company and shall have the meaning given under Section 127 of the Act
VWAP	: Volume weighted average price
YHB or Company	: Yinson Holdings Berhad, Registration No. 199301004410 (259147-A)
YHB Group or Group	: Collectively, YHB and its subsidiaries
YHB Share(s) or Shares(s)	: Ordinary shares in the Company
YHB Shareholders or Shareholders	: Registered holders of YHB Shares

References to "we", "us", "our" and "ourselves" in this Circular/Statement are to the Company, and where the context otherwise requires, the subsidiaries. All references to "you" in this Circular/Statement are to the Shareholders.

Words denoting the singular, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and vice versa. Any reference to persons shall include corporations, unless otherwise specified.

Any reference in this Circular/Statement to any enactment is a reference to that enactment currently enforced and as may be amended from time to time and any re-enactment thereof.

DEFINITIONS (CONT'D)

All references to the date or time in this Circular/Statement are references to Malaysian time, unless otherwise stated.

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

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PART A

**LETTER FROM THE BOARD TO THE SHAREHOLDERS IN RELATION TO THE
PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY**



YINSON HOLDINGS BERHAD
Registration No. 199301004410 (259147-A)
(Incorporated in Malaysia under the Companies Act 1965
and deemed registered under the Companies Act 2016)

Registered Office
Level 16, Menara South Point
Mid Valley City
Medan Syed Putra Selatan
59200 Kuala Lumpur

31 May 2023

Board of Directors

Lim Han Weng (*Group Executive Chairman / Non-Independent Executive Director*)
Lim Chern Yuan (*Group Chief Executive Officer / Non-Independent Executive Director*)
Dato' Mohamad Nasir Bin AB Latif (*Independent Non-Executive Director*)
Bah Kim Lian (*Non-Independent Executive Director*)
Lim Han Joeeh (*Non-Independent Non-Executive Director*)
Dato' (Dr.) Wee Hoe Soon @ Gooi Hoe Soon (*Senior Independent Non-Executive Director*)
Datuk Abdullah Bin Karim (*Independent Non-Executive Director*)
Raja Datuk Zaharaton Binti Raja Zainal Abidin (*Independent Non-Executive Director*)
Fariza Binti Ali @ Taib (*Non-Independent Non-Executive Director*)
Sharifah Munira Bt. Syed Zaid Albar (*Independent Non-Executive Director*)
Gregory Lee (*Independent Non-Executive Director*)

To: The Shareholders of the Company

Dear Sir/Madam,

PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

1. INTRODUCTION

The Company had on 19 May 2023, announced to Bursa Securities that it proposes to seek the approval of its Shareholders at the forthcoming AGM for the proposed amendments to the Constitution of the Company ("**Proposed Amendments to Constitution**").

The purpose of this Circular is to provide you with the relevant information on the Proposed Amendments to Constitution and to seek your approval for the special resolution thereto to be tabled at the forthcoming AGM of the Company.

YOU ARE ADVISED TO READ THE CONTENTS OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE SPECIAL RESOLUTION PERTAINING TO THE PROPOSED AMENDMENTS TO CONSTITUTION.

2. DETAILS AND RATIONALE OF THE PROPOSED AMENDMENTS TO CONSTITUTION

The details of the Proposed Amendments to Constitution are set out in Appendix II of Part A of this Circular. The purpose of the Proposed Amendments to Constitution is to streamline the existing Constitution to be in line with the Act, the Listing Requirements, prevailing statutory and regulatory requirements as well as to enhance administrative efficiency and provide greater clarity to the Company's Constitution.

3. EFFECTS OF THE PROPOSED AMENDMENTS TO CONSTITUTION

The Proposed Amendments to Constitution will not have any effect on the issued share capital of the Company and shall not have any material effect on the substantial shareholding, NA, gearing and EPS of the Company.

4. APPROVAL REQUIRED

The Proposed Amendments to Constitution is subject to the approval of the Shareholders at the forthcoming AGM.

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

None of the Directors, major Shareholders and/or chief executive of YHB and/or persons connected with them, has any interest, direct and/or indirect, in the Proposed Amendments to Constitution.

6. DIRECTORS' RECOMMENDATION

The Board is of the opinion that the Proposed Amendments to Constitution is in the best interest of the Company. As such, the Directors recommend that you vote in favour of the special resolution pertaining to the Proposed Amendments to Constitution to be tabled at the forthcoming AGM.

7. AGM

The 30th AGM of the Company, the notice of which is enclosed in the Company's Integrated Annual Report 2023, is scheduled to be held on a virtual basis through live streaming from the broadcast venue at Yinson Global Headquarters, Level 16, Menara South Point, Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur, Malaysia on Thursday, 13 July 2023 at 10.30 a.m. or any adjournment thereof via its Securities Services e-Portal ("**SSeP**") at <https://sshsb.net.my/> for the purpose of considering and if thought fit, passing with or without modification, the resolution to give effect to the Proposed Amendments to Constitution. An extract of the notice of the 30th AGM is enclosed in Appendix III of Part A of this Circular.

If you are unable to attend and vote at the 30th AGM, please complete the Form of Proxy as set out in the Company's Integrated Annual Report 2023 in accordance with the instructions contained therein. The Form of Proxy should be lodged at the Company's share registrar, Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time and date fixed for holding the 30th AGM or at any adjournment thereof. Alternatively, you may submit an e-Proxy form via Securities Services e-Portal at <https://sshsb.net.my/> ("**eProxy Lodgement**"). Please refer to the Administrative Details for the 30th AGM for the steps on the eProxy Lodgement which is available on the Company's website at www.yinson.com. The completion and lodgement of the Form of Proxy will not preclude you from attending and voting remotely at the forthcoming 30TH AGM should you subsequently wish to do so.

8. FURTHER INFORMATION

You are requested to refer to the attached Appendix I of Part A of this Circular for further information.

Yours faithfully
For and on behalf of the Board of
YINSON HOLDINGS BERHAD

LIM HAN WENG
Group Executive Chairman

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

Save as disclosed below, as at the LPD, YHB Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of YHB Group, and the Board is not aware of any proceedings, pending or threatened, against YHB Group or of any facts likely to give rise to any proceedings, which may materially or adversely affect the financial position or business of YHB Group:

A petition by Rising Sun Energy (K) Private Limited ("RSEK"), a subsidiary of YHB Group held via YR Nokh Pte Ltd, against NTPC Limited ("NTPC") and Chhattisgarh State Power Distribution Company Limited ("Chhattisgarh")

RSEK entered into a power purchase agreement dated 30 March 2021 ("the **PPA**") with NTPC whereby RSEK was commissioned to develop a solar power generating system for the supply of power to Chhattisgarh. Due to various changes in law resulting in increase in the rate of goods and services tax and imposition of basic customs duty for which RSEK under the PPA is entitled to compensation, RSEK filed a petition dated 14 July 2022 to Central Electricity Regulatory Commission ("**CERC**") at New Delhi, India, the mandated body to decide on such matter, seeking for an order for compensation amounting to Indian Rupee 3,557,805,223 (approximately RM187.0 million).

The first hearing before the CERC was heard on 15 December 2022 and NTPC and Chhattisgarh submitted their responses to CERC including details of the claim on 21 March 2023. A further hearing is scheduled on 25 May 2023.

The Company has been advised by its legal counsel in India that RSEK has a strong case on merits to obtain a favourable order.

3. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of YHB at Level 16, Menara South Point, Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur during normal business hours from Monday to Friday (except public holidays) following the date of this Circular, up to and including the date of the 30th AGM:

- (i) the Constitution;
- (ii) the audited consolidated financial statements of YHB for the past two FYE 31 January 2022 and FYE 31 January 2023; and
- (iii) the cause paper in respect of the material litigation referred to in Section 2 of this Appendix I of Part A of this Circular.

PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

The Constitution of the Company is proposed to be amended by the relevant additions and deletions as specifically set out in the fourth column below:

NO.	EXISTING CONSTITUTION	NEW CLAUSE NO	PROPOSED AMENDMENTS		
7	DEFINITIONS		<div>DEFINITIONS</div> <table><tr><td>Securities Laws</td><td>means – (a) the Securities Commission Malaysia Act 1993; (b) the CMSA; (c) the Securities Industry (Central Depositories) Act 1991; (d) any other legislation which the SC is empowered to administer or enforce; and (e) any other regulations, rules orders, notifications or other subsidiary legislation made under subparagraphs (a), (b), (c) and (d) above.</td></tr></table>	Securities Laws	means – (a) the Securities Commission Malaysia Act 1993; (b) the CMSA; (c) the Securities Industry (Central Depositories) Act 1991; (d) any other legislation which the SC is empowered to administer or enforce; and (e) any other regulations, rules orders, notifications or other subsidiary legislation made under subparagraphs (a), (b), (c) and (d) above.
Securities Laws	means – (a) the Securities Commission Malaysia Act 1993; (b) the CMSA; (c) the Securities Industry (Central Depositories) Act 1991; (d) any other legislation which the SC is empowered to administer or enforce; and (e) any other regulations, rules orders, notifications or other subsidiary legislation made under subparagraphs (a), (b), (c) and (d) above.				
		16A	<p>The Company may by notice in writing, require any Member of the Company, within such reasonable time as is specified in the notice:</p> <p>(A) to inform the Company whether he holds any voting shares in the Company as beneficial owner, Authorised Nominee or as trustee; and</p> <p>(B) if he holds them as trustee or Authorised Nominee, to indicated so far as he can, the persons for whom he holds them by name and by other particulars sufficient to enable those persons to be identified and the nature of their interest.</p>		
48	<p>CONVENING OF GENERAL MEETINGS</p> <p>(A) The Company shall hold an Annual General Meeting in every calendar year pursuant to Section 340 of the Act to transact the following ordinary business:</p>		<p>CONVENING OF GENERAL MEETINGS</p> <p>(A) The Company shall hold an Annual General Meeting in every calendar year pursuant to Section 340 of the Act to transact the following ordinary business:</p>		

PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY (CONT'D)

NO.	EXISTING CONSTITUTION	NEW CLAUSE NO	PROPOSED AMENDMENTS
	<ul style="list-style-type: none"> (i) The laying of audited financial statements and the reports of the Directors and Auditors; (ii) The proposal of dividend (if any); (iii) The election and re-election of Directors and the fixing of the fees and benefits of the Directors; (iv) The appointment of Directors and the fixing of the fees and benefits of the Directors; and (v) The appointment or re-appointment of Auditors and the fixing of the remuneration of the Auditors; 		<ul style="list-style-type: none"> (i) The laying of audited financial statements and the reports of the Directors and Auditors; (ii) The proposal of dividend (if any); (ii) The election and re-election of Directors and the fixing of the fees and benefits of the Directors; (iii) The appointment of Directors and the fixing of the fees and benefits of the Directors; and (iv) The appointment or re-appointment of Auditors and the fixing of the remuneration of the Auditors;
55	<p>PROCEEDINGS AT GENERAL MEETINGS</p> <p>The Chairman of the Board of Directors (or if he is absent or unable to act or there is no Chairman), the Managing Director shall preside as chairman at the General Meeting. If neither Chairman nor Managing Director are present within fifteen (15) minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the meeting shall choose other Director present to be Chairman, and if no Director is present or if all the Directors present decline to take the chair, the meeting shall choose one of the Members present to be Chairman.</p>		<p>PROCEEDINGS AT GENERAL MEETINGS</p> <p>The Chairman of the Board of Directors (or if he is absent or unable to act or there is no Chairman), the Managing Director Group Chief Executive Officer, who is appointed as a Director shall preside as chairman at the General Meeting. If neither Chairman nor Managing Director Group Chief Executive Officer are present within fifteen (15) minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the meeting shall choose other Director present to be Chairman, and if no Director is present or if all the Directors present decline to take the chair, the meeting shall choose one of the Members present to be Chairman.</p>
	VOTES OF MEMBERS	72A	<p>VOTES OF MEMBERS</p> <p>Any instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notorially certified copy of that power or authority may be accepted if it is:</p> <ul style="list-style-type: none"> (A) transmitted to the Company by any technology purporting to include a signature and/or an electronic or digital signature by the Members, or (B) authenticated in any document given to the Company by electronic means which shows the validity of the appointment of a proxy.

PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY (CONT'D)

NO.	EXISTING CONSTITUTION	NEW CLAUSE NO	PROPOSED AMENDMENTS
76	<p>DIRECTORS</p> <p>All the Directors of the Company shall be natural persons and, until otherwise determined by the Company in General Meeting, the number of Directors including a Managing Director shall not be less than two (2) nor more than twelve (12).</p>		<p>DIRECTORS</p> <p>All the Directors of the Company shall be natural persons and, until otherwise determined by the Company in General Meeting, the number of Directors including a Group Chief Executive Officer, who is also appointed as a Director Managing Director shall not be less than two (2) nor more than twelve (12).</p>
	<p>DIRECTORS</p>	79A	<p>DIRECTORS</p> <p>No person shall be appointed or allowed to act as a Director or be involved whether directly or indirectly in the management of the Company, including acting in an advisory capacity in relation to the Company, if he:-</p> <p>(A) has been convicted by a court of law, whether within Malaysia or elsewhere, of an offence in connection with the promotion, formation or management of a company;</p> <p>(B) has been convicted by a court of law, whether within Malaysia or elsewhere, of an offence, involving fraud or dishonesty or where the conviction involved a finding that he acted fraudulently or dishonestly; or</p> <p>(C) has been convicted by a court of law of an offence under the Securities Laws or the Act,</p> <p>within a period of five (5) years (or such period as shall be prescribed by the Exchange) from the date of conviction or if sentenced to imprisonment, from the date of release from prison, as the case may be.</p>
80	<p>The office of a Director shall be vacated in any of the following events, namely if he –</p> <p>(A) (not being a Managing Director holding office as such for a fixed term) resigns his office by notice in writing to the Company at the Office;</p>		<p>The office of a Director shall be vacated in any of the following events, namely if he –</p> <p>(A) (not being a Group Chief Executive Officer Managing Director holding office as such for a fixed term) resigns his office by notice in writing to the Company at the Office;</p>

PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY (CONT'D)

NO.	EXISTING CONSTITUTION	NEW CLAUSE NO	PROPOSED AMENDMENTS
	<p>(B) becomes bankrupt or compounds with his creditors;</p> <p>(C) has retired in accordance with the Constitution but is not re-elected;</p> <p>(D) is removed from office in accordance with the Act or the Constitution of the Company;</p> <p>(E) becomes disqualified from being a Director under Sections 198 or 199 of the Act;</p> <p>(F) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to Mental Health Act 2001;</p> <p>(G) if he is absent from more than 50% of the total board of directors' meeting during a financial year unless the Board accepts the reason(s) provided by him for his absence subject always to a procurement of waiver from compliance with the Listing Requirements is obtained from the Stock Exchange;</p> <p>(H) dies; or</p> <p>(I) is so removed by Ordinary Resolution at a General Meeting.</p>		<p>(B) becomes bankrupt or makes any arrangement or composition compounds with his creditors during his term of office;</p> <p>(C) has retired in accordance with the Act or Constitution of the Company but is not re-elected;</p> <p>(D) is removed from his office by ordinary resolution at a general meeting of which special notice has been given in accordance with the Act or the Constitution of the Company;</p> <p>(E) becomes disqualified from being a Director under Sections 198 or 199 of the Act;</p> <p>(F) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to Mental Health Act 2001;</p> <p>(G) if he is absent from more than 50% of the total board of directors' meeting held during a financial year of the Company unless the Board accepts the reason(s) provided by him for his absence subject always to a procurement of waiver from compliance with the Listing Requirements is obtained from the Stock Exchange;</p> <p>(H) dies; or</p> <p>(I) is convicted by court of law, whether within Malaysia or elsewhere, in relation to the offences set out herein in Clause 79A is so removed by Ordinary Resolution at a General Meeting.</p>
82	Any Director may continue to be or become a director, managing director, manager or other officer or member or any other corporation in which the Company may be interest, and no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, manager or other officer or member of		Any Director may continue to be or become a director, Group Chief Executive Officer managing director , manager or other officer or member or any other corporation in which the Company may be interest, and no such Director shall be accountable for any remuneration or other benefits received by him as a director, Group Chief Executive Officer managing director , manager or other

PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY (CONT'D)

NO.	EXISTING CONSTITUTION	NEW CLAUSE NO	PROPOSED AMENDMENTS
	any such other corporation. The Directors may exercise the voting power conferred by the shares in any other corporation held or owned by the Company, or exercisable by them as directors of such other corporation, in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, managers or other officers of such corporation or voting or providing for the payment of remuneration to the directors, managing directors, managers or other officers of such corporation), and any Director of the Company may vote in favour of the exercise of such voting rights in the manner aforesaid, notwithstanding that he may be, or about to be, appointed a director, managing director, manager or other officer of such other corporation and as such is or may become interested in the exercise of such voting rights in the manner aforesaid, provided always that no Director shall vote (or be counted in the quorum) in respect of a resolution concerning his own appointment.		officer or member of any such other corporation. The Directors may exercise the voting power conferred by the shares in any other corporation held or owned by the Company, or exercisable by them as directors of such other corporation, in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, Group Chief Executive Officer managing directors , managers or other officers of such corporation or voting or providing for the payment of remuneration to the directors, Group Chief Executive Officer managing directors , managers or other officers of such corporation), and any Director of the Company may vote in favour of the exercise of such voting rights in the manner aforesaid, notwithstanding that he may be, or about to be, appointed a director, Group Chief Executive Officer managing director , manager or other officer of such other corporation and as such is or may become interested in the exercise of such voting rights in the manner aforesaid, provided always that no Director shall vote (or be counted in the quorum) in respect of a resolution concerning his own appointment.
91	MANAGING AND EXECUTIVE DIRECTORS The Directors may from time to time appoint one or more of their body to be Managing Director or Managing Directors and any such appointment shall be subject to a term not exceeding three (3) years. A Managing Director or Managing Directors shall be subject to the control of the Board.		GROUP CHIEF EXECUTIVE OFFICER MANAGING—AND EXECUTIVE DIRECTORS The Directors may from time to time appoint one or more of their body to be Group Chief Executive Officer Managing Director or Group Chief Executive Officers Managing Directors and any or such other designations as the Board deem fit and any such appointment shall be subject to a term not exceeding three (3) years. A Group Chief Executive Officer Managing Director or Group Chief Executive Officers Managing Directors shall be subject to the control of the Board.
92	A director appointed to the office of Managing Director shall while holding that office, be subject to retirement by rotation and shall be taken into account in determining the number of Directors to retire pursuant to Clause 96 of this Constitution but his appointment shall be determined ipso facto if he ceases from any cause to be a Director or (subject to the terms of any contract		A director appointed to the office of Group Chief Executive Officer Managing Director shall while holding that office, be subject to retirement by rotation and shall be taken into account in determining the number of Directors to retire pursuant to Clause 96 of this Constitution but his appointment shall be determined ipso facto if he ceases from any cause to be a Director or (subject to the terms of any contract between him and the

PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY (CONT'D)

NO.	EXISTING CONSTITUTION	NEW CLAUSE NO	PROPOSED AMENDMENTS
	between him and the Company) if the Directors resolve that his term of office as Managing Director be determined.		Company) if the Directors resolve that his term of office as Group Chief Executive Officer Managing Director be determined.
94	Subject to any other provisions of this Constitution, the remuneration of any Managing Director or Executive Director for his services as such shall be determined by the Directors and may be of any description.		Subject to any other provisions of this Constitution, the remuneration of any Group Chief Executive Officer Managing Director or Executive Director for his services as such shall be determined by the Directors and may be of any description.
95	The Directors may entrust to and confer upon a Managing Director or Executive Director any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit and, in the case of a Managing Director, either concurrently with or to the exclusion of their own powers, and may from time to time revoke, withdraw or vary all or any of such powers.		The Directors may entrust to and confer upon a Group Chief Executive Officer Managing Director or Executive Director any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit and, in the case of a Group Chief Executive Officer Managing Director , either concurrently with or to the exclusion of their own powers, and may from time to time revoke, withdraw or vary all or any of such powers.
125	DIVIDENDS AND RESERVES The Company may make a distribution of dividends to the Members out of profits of the Company available if the Company is solvent, but no dividend shall exceed the amount as authorised by the Board.		DIVIDENDS AND RESERVES The Company may from time to time , make a distribution of dividends to the Members out of profits of the Company available if provided that the Company is solvent in accordance with the provisions of the Act , but no dividend shall exceed the amount as authorised by the Board.
127	The Directors may pay to the members such interim dividends as appear to the Directors to be justified by the profits of the Company.		The Directors may pay to the members such interim dividends as appear to the Directors to be justified by the profits of the Company.
129	Any General Meeting declaring a dividend may, upon the recommendation of the directors, direct payment of satisfaction of such dividend wholly or partly by the distribution of specific assets and in particular of paid-up shares or debentures of any other company. The Directors shall give effect to such direction, and where any difficulty arises in regard to such distribution, the Directors may settle it as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the		Any General Meeting declaring a dividend may, upon the recommendation of the directors, The Board in authorising a distribution of dividends may direct payment of satisfaction of such dividends wholly or partly by the distribution of specific assets and in particular of paid-up shares or debentures of any other company The Directors shall give effect to such direction, or in any one or more of such ways and where any difficulty arises in regard to payment of such distribution, the Board Directors may settle it as it they thinks expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members

PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY (CONT'D)

NO.	EXISTING CONSTITUTION	NEW CLAUSE NO	PROPOSED AMENDMENTS
	value so fixed in order to adjust the rights of those entitled to participate in the dividends as may seem expedient to the Directors.		upon the footing of the value so fixed in order to adjust the rights of those entitled to participate in the dividends as may seem expedient to the Board-Directors .
130	The Directors may, before recommending any dividend, set aside out of the profits of the Company and carry to reserve or reserves such sums as they think proper, and the sums represented thereby shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may properly be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Directors may from time to time think fit.		The Directors may, before authorising recommending any distribution of dividend, set aside out of the profits of the Company and carry to reserve or reserves such sums as they think proper, and the sums represented thereby shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may properly be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Directors may from time to time think fit.

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EXTRACT OF THE NOTICE OF THE 30TH AGM

YINSON HOLDINGS BERHAD
Registration No. 199301004410 (259147-A)
(Incorporated in Malaysia)

AS SPECIAL BUSINESS

To consider, and if thought fit, to pass the following resolutions, with or without modification:

SPECIAL RESOLUTION**PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY**

“THAT the Proposed Amendments to the Constitution of the Company as set out in Appendix II of Part A of the circular to shareholders dated 31 May 2023, be and are hereby approved and adopted with immediate effect.

AND THAT the Directors of the Company be and are hereby authorised to do all acts and things and take all such steps that may be necessary and/or expedient to give effect to the Proposed Amendments to the Constitution of the Company with full power to assent to any modification, variation and/or amendment as may be required by the relevant authorities.”

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PART B

**LETTER FROM THE BOARD TO THE SHAREHOLDERS IN RELATION TO THE
PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**



YINSON HOLDINGS BERHAD

Registration No. 199301004410 (259147-A)
(Incorporated in Malaysia under the Companies Act 1965
and deemed registered under the Companies Act 2016)

Registered Office

Level 16, Menara South Point
Mid Valley City
Medan Syed Putra Selatan
59200 Kuala Lumpur

31 May 2023

Board of Directors

Lim Han Weng (*Group Executive Chairman / Non-Independent Executive Director*)
Lim Chern Yuan (*Group Chief Executive Officer / Non-Independent Executive Director*)
Dato' Mohamad Nasir Bin AB Latif (*Independent Non-Executive Director*)
Bah Kim Lian (*Non-Independent Executive Director*)
Lim Han Joeeh (*Non-Independent Non-Executive Director*)
Dato' (Dr.) Wee Hoe Soon @ Gooi Hoe Soon (*Senior Independent Non-Executive Director*)
Datuk Abdullah Bin Karim (*Independent Non-Executive Director*)
Raja Datuk Zaharaton Binti Raja Zainal Abidin (*Independent Non-Executive Director*)
Fariza Binti Ali @ Taib (*Non-Independent Non-Executive Director*)
Sharifah Munira Bt. Syed Zaid Albar (*Independent Non-Executive Director*)
Gregory Lee (*Independent Non-Executive Director*)

To: The Shareholders of the Company

Dear Sir/Madam,

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

1. INTRODUCTION

The Company had at the AGM held on 14 July 2022, obtained approval from the Shareholders for the renewal of share buy-back authority to purchase up to ten percent (10%) of the total number of issued shares at any point in time through its appointed stockbroker.

The Board had on 19 May 2023, announced to Bursa Securities that the Company proposes to seek Shareholders' approval for the Proposed Renewal of Share Buy-Back Authority at the forthcoming 30TH AGM of YHB in accordance with Section 127 of the Act, the Constitution and the Listing Requirements.

2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

2.1 Details of the Proposed Renewal of Share Buy-Back Authority

The Board proposes to seek the Shareholders' approval on the Proposed Renewal of Share Buy-Back Authority for the Company to purchase up to ten percent (10%) of the total number of issued shares at any point in time through its appointed stockbroker.

The mandate from the Shareholders for the Proposed Renewal of Share Buy-Back Authority, once approved by the Shareholders, will be effective immediately from the date of the passing of the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Authority at the forthcoming 30TH AGM and will continue to be in force until:

- (i) the conclusion of the next AGM of the Company following this 30TH AGM at which such resolution was passed; or at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution passed by the Shareholders of the Company in a general meeting,

whichever occurs first.

2.2 Treatment of the Purchased Shares

The Board may deal with the Purchased Shares in the following manner:

- (i) To cancel the Purchased Shares;
- (ii) To retain the Purchased Shares as Treasury Shares;
- (iii) To retain part of the Purchased Shares as Treasury Shares and cancel the remainder of the shares;
- (iv) To distribute all or part of the Treasury Shares as share dividends to Shareholders;
- (v) To resell all or part of the Treasury Shares on Bursa Securities in accordance with the Listing Requirements;
- (vi) To transfer all or part of the Treasury Shares as purchase consideration;
- (vii) To transfer the Treasury Shares for the purpose of or under an employees' share scheme;
- (viii) To cancel all or part of the Treasury Shares;
- (ix) To see, transfer or otherwise use the Treasury Shares for such purposes as the Minister (as defined in the Act) may by order prescribe; and/ or
- (x) In any other manner as may be prescribed by applicable law and/or regulations and guidelines applied from time to time by Bursa Securities and/or any other relevant authority for the time being in force.

Immediate announcement(s) and notice(s) will be made to Bursa Securities and the relevant authorities in respect of the Board's decision on the treatment of the Purchased Shares in compliance with the Listing Requirements and the Act.

In accordance with Section 127(8) of the Act, if such Purchased Shares were held as treasury shares, it shall not confer:

- (i) the right to attend or vote at meetings and any purported exercise of such rights is void; and
- (ii) the right to receive dividends or other distribution, whether cash or otherwise, of the Company's assets including any distribution of assets upon winding up the Company.

In accordance with Section 127(9) of the Act, if such Purchased Shares were held as treasury shares, the Treasury Shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including, without limiting the generality of this provision, the provisions of any law or requirements of the Constitution or the Listing Requirements on substantial shareholding, takeovers, notices, the requisitioning of meetings, the quorum for meetings and the result of a vote on resolution(s) at meetings.

Nonetheless, Section 127(11) of the Act states that the Purchased Shares shall not be taken to prevent:

- (i) an allotment of Shares as fully paid bonus shares in respect of the Treasury Shares; or
- (ii) the subdivision or consolidation of Treasury Shares.

2.3 Source of Funds

The Board proposes that the maximum fund to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements of the Company (where applicable) available at the time of the purchase.

The retained profits of the Company based on the latest audited financial statements as at 31 January 2023 is RM666 million.

The Proposed Renewal of Share Buy-Back Authority will allow the Board to exercise the rights of the Company to purchase its own Shares at any time within the abovementioned time period using the internal funds and/or external borrowings of the Company.

In the event external borrowings are required, the Board will ensure that the Company has sufficient financial capability to repay such borrowings and that the external borrowings are not expected to have any material adverse effects on the cash flow of the Company. In any event, the Board will ensure that the maximum funds to be used for the buy-back of YHB Shares shall not exceed the retained profits of the Company.

2.4 Implication of the Code

The purchase of YHB Shares pursuant to the Proposed Renewal Share Buy-Back Authority will effectively cause the Shareholders' percentage shareholdings in YHB to increase without any corresponding increase in the actual number of Shares held, assuming all other things being equal.

Pursuant to the Code, a person and/or any persons acting in concert with him ("**PACs**") will be obliged to make a mandatory take-over offer when as a result of a buy-back scheme by the Company:

- (i) a person obtains controls in a company;

- (ii) a person holding more than thirty-three percent (33%) but not more than fifty percent (50%) of the voting shares or voting rights of a company or increases his holding of the voting shares or voting rights of the company by more than two percent (2%) in any six (6) month period.

As at the LPD, the shareholdings of Lim Han Weng and PACs to Lim Han Weng are 29.21%. Assuming the Proposed Renewal of Share Buy-Back Authority is carried out in full and all the Purchased Shares are subsequently cancelled, resulting in the shareholdings of Lim Han Weng and his PACs being affected, Lim Han Weng and his PACs will be obliged to undertake mandatory offer for the remaining YHB Shares not held by them. However, an exemption may be granted by Securities Commission under the Code, subject to complying with certain conditions.

Nevertheless, the Board will be mindful in the implementation of the Proposed Renewal of Share Buy-Back Authority in a manner that will not result in any of the Shareholders having to undertake a mandatory take-over offer pursuant to the Code.

2.5 Previous Purchases and Resale and/or Cancellations of Treasury Shares

In the previous twelve (12) months, YHB has made purchases as listed below from the open market.

Month	No of Purchased Shares	Minimum Price (RM)	Maximum Price (RM)	Average Price (RM)	Total Amount Paid (RM)
May 2022	23,830,300	2.17	2.69	2.43	55,608,213.60
June 2022	17,524,700	1.95	2.29	2.12	36,984,601.98
July 2022	15,756,600	1.83	2.10	1.97	30,522,264.09
August 2022	9,222,000	1.98	2.17	2.08	19,163,495.61
September 2022	5,434,400	2.07	2.33	2.20	11,935,585.76
October 2022	1,638,800	2.08	2.18	2.13	3,499,464.11
November 2022	1,886,500	2.09	2.27	2.18	4,070,383.02
December 2022	2,362,000	2.36	2.48	2.42	5,724,517.20
January 2023	-	-	-	-	-
February 2023	-	-	-	-	-
March 2023	-	-	-	-	-
April 2023	-	-	-	-	-

As at LPD, YHB held a total of 157,332,500 treasury shares. There was no resale or transfer or cancellation of Treasury Share in the previous twelve (12) months. The Purchased Shares were retained as treasury shares.

2.6 Public Shareholding Spread

The Proposed Share Buy-Back will be carried out in accordance with the prevailing law at the time of the purchase including compliance with 25% public shareholding spread in the hands of public shareholders as required under Paragraph 12.14 of the Listing Requirements.

As at the LPD, the public shareholding spread of the Company is 70.79%. In implementing the Proposed Share Buy-Back, the Company will ensure that the minimum public shareholding spread of 25% is complied with.

3. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The rationale for the Proposed Renewal of Share Buy-Back Authority is as follows:

- (i) it allows the Company to have greater flexibility in managing its capital structure, while the Company shall endeavor to ensure dividends be prioritised as a form of returning capital to the Shareholders;

- (ii) it is an expedient and cost-efficient way for the Company to return surplus cash/funds, if any, which is in excess of the foreseeable financial and investment needs of the YHB Group to its Shareholders;
- (iii) in any event, the Treasury Shares may also be distributed as share dividends to the Shareholders as a reward; and
- (iv) in managing the businesses of YHB Group, the management strives to increase Shareholders' value by improving, *inter-alia*, the return on equity of the YHB Group. The Proposed Renewal of Share Buy-Back Authority is one way through which the return on equity of the YHB Group may be enhanced.

4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

4.1 Potential Advantages

The potential advantages of the Proposed Renewal of Share Buy-Back Authority are as follows:

- (i) enables the Company to take preventive measures against speculative activities particularly when the Shares are undervalued which may in turn stabilise the market price and hence, enhance investors' confidence;
- (ii) enables the Company to utilise its financial resources more efficiently especially where there is no immediate use. Any subsequent cancellation of the Purchased Shares may strengthen the consolidated EPS of the Group, which in turn have a positive impact on YHB's share prices;
- (iii) provide the Company with opportunities for potential gains if the Treasury Shares are subsequently resold at prices higher than the purchase price; and
- (iv) the Treasury Shares may be distributed as share dividends to the Shareholders as a reward.

4.2 Potential Disadvantages

The potential disadvantages/risk factors of the Proposed Renewal of Share Buy-Back Authority are as follows:

- (i) the Proposed Renewal of Share Buy-Back Authority, if implemented, will reduce the financial resources of YHB Group and consequently result in YHB Group foregoing investment opportunities that may arise in the future or any interest that may be derived from depositing such funds in interest bearing deposits; and
- (ii) as the funds to be allocated for the Proposed Renewal of Share Buy-Back Authority must be made out of YHB's retained profits, the amount available from these accounts for distribution of dividend to YHB Shareholders may decrease accordingly.

Nevertheless, the Proposed Renewal of Share Buy-Back Authority is not expected to have any potential material disadvantages or major risk to the Company and its Shareholders as it will only be implemented after considering the interests of both the Company and its Shareholders.

The Board will be mindful of the interests of the Company and its Shareholders when undertaking the Proposed Renewal of Share Buy-Back Authority and in the subsequent resale of treasury shares on Bursa Securities, if any.

5. EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The financial effects of the Proposed Renewal of Share Buy-Back Authority on the share capital of the Company, NA, earnings and EPS, working capital and dividends of the YHB Group are as follows:

5.1 Share Capital

The effect of the Proposed Renewal of Share Buy-Back Authority in respect of the total number of issued shares will depend on whether the Purchased Shares are cancelled or retained as Treasury Shares.

Assuming that the Proposed Renewal of Share Buy-Back Authority is carried out in full and all the Purchased Shares are subsequently cancelled, the Proposed Renewal of Share Buy-Back Authority will result in the issued share capital of the Company as at the LPD to be reduced as follows:

	No. of Shares
Total number of issued shares as at the LPD	3,063,864,369*
Less: Maximum number of YHB Shares that may be purchased and subsequently cancelled pursuant to the Proposed Share Buy-Back	(306,386,437)*
Resultant issued share capital after cancellation of YHB Shares	<u>2,757,477,932</u>

Note

* Inclusive of 157,332,500 Treasury Shares as at the LPD.

If the Purchased Shares are retained as Treasury Shares, there will be no impact on the issued capital of YHB but the rights attaching to the Treasury Shares in relation to voting, dividends and participation in other distributions or otherwise will be suspended.

5.2 NA

The effect of the Proposed Renewal of Share Buy-Back Authority on the NA per share of YHB is dependent on the purchase price(s) of YHB Shares. When the Company purchases its own Share, regardless of whether they are retained as Treasury Share or subsequently cancelled, if the purchase price is less than the audited NA per share of YHB at the time of purchase, the NA per share will increase. Conversely, if the purchase price exceeds the audited NA per share of YHB at the time of purchase, the NA per share will decrease.

5.3 Earnings and EPS

The effect of the Proposed Renewal of Share Buy-Back Authority on the EPS of YHB will depend on, *inter-alia*, the actual number of Purchased Shares and the effective cost of funding to YHB Group, or any loss in interest income to YHB or opportunity cost in relation to other investment opportunity if internally generated funds are utilised. However, the Proposed Renewal of Share Buy-Back Authority, if carried out, is not expected to have any material effect on the EPS of YHB for the FYE 31 January 2024.

5.4 Working Capital

The Proposed Renewal of Share Buy-Back Authority will reduce the working capital and cash flow available for the YHB Group. The quantum of the reduction of the working capital of YHB Group would depend on the purchase price(s) and number of Shares purchased as well as any associated costs incurred in relation to the share buy-back pursuant to the Proposed Renewal of Share Buy-Back Authority. However, it is not expected to have any material adverse effect on the working capital of the Company.

5.5 Dividends

The above Proposed Renewal of Share Buy-Back Authority is not expected to have any impact on dividend payments to the Shareholders, if any, as the Board will take into consideration the actual results of YHB Group, its cash reserves, capital commitment and future funding requirements before proposing any dividend payment. As stated in Section 3(c) of Part B of this Circular, the Board may have the option to distribute future dividends in the form of Treasury Shares purchased pursuant to the Proposed Renewal of Share Buy-Back Authority. The Board is committed to maintaining a prudent approach, ensuring that dividend payments are aligned with the Group's financial performance and business needs.

If the Purchased Shares are cancelled, the Proposed Renewal of Share Buy-Back Authority will have the effect of increasing the dividend rate of the Company as a result of the reduction in the number of issued Shares.

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6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

For illustration purpose, assuming that the Company acquires the maximum number of Shares authorised under the Proposed Renewal of Share Buy-Back Authority and thereafter cancels all purchased shares, the effect of the Proposed Renewal of Share Buy-Back Authority on the shareholdings of the Directors and Substantial Shareholders of YHB based on their shareholdings as at LPD, is as follows:

6.1 Directors' Shareholdings

Name	As at LPD			After Proposed Share Buy-Back		
	Direct		Indirect	Direct		Indirect
	No. of Shares	% ⁽ⁱ⁾		No. of Shares ^(iv)	%	No. of Shares ^(iv)
Lim Han Weng	43,611,477	1.50	(ii) 668,454,203	43,611,477	1.58	(ii) 668,454,203
Bah Kim Lian	9,832,000	0.34	(iii) 630,089,380	9,832,000	0.36	(iii) 630,089,380
Lim Han Joeh	136,911,532	4.71	-	136,911,532	4.97	-
Lim Chern Yuan	4,970,960	0.17	-	4,970,960	0.18	-

Notes:

- (i) Excluding 157,332,500 Treasury Shares as at the LPD.
- (ii) Deemed interested by virtue of his spouse and children's direct shareholdings in the Company pursuant to Section 59(1)(c) of the Act and Liannex Corporation (S) Pte Ltd and Yinson Legacy Sdn Bhd's direct shareholdings in the Company pursuant to Section 8(4) of the Act.
- (iii) Deemed interested by virtue of her spouse and children's direct shareholdings in the Company pursuant to Section 59(1)(c) of the Act and Yinson Legacy Sdn Bhd's direct shareholding in the Company pursuant to Section 8(4) of the Act.
- (iv) Assuming no shares and/or options granted under the ESS2015 and no warrants issued by the Company which are expiring on 21 June 2024, have been exercised.

6.2 Substantial Shareholders' Shareholdings

Name	As at LPD			After Proposed Share Buy-Back		
	Direct		Indirect	Direct		Indirect
	No. of Shares	% ⁽ⁱ⁾		No. of Shares ^(v)	%	No. of Shares ^(v)
Lim Han Weng	43,611,477	1.50	(ii) 668,454,203	23.00	43,611,477	1.58
Bah Kim Lian	9,832,000	0.34	(iii) 630,089,380	21.68	9,832,000	0.36
EPF	485,167,956	16.69	-	-	485,167,956	17.59
Kumpulan Wang Persaraan (Diperbadankan)	104,415,400	3.59	(iv) 86,109,840	2.96	104,415,400	3.79
Yinson Legacy Sdn Bhd	572,905,063	19.71	-	-	572,905,063	20.78
						-

Notes:

- (i) Excluding 157,332,500 Treasury Shares as at the LPD.
- (ii) Deemed interested by virtue of his spouse and children's direct shareholdings in the Company pursuant to Section 59(11)(c) of the Act and Liannex Corporation (S) Pte Ltd and Yinson Legacy Sdn Bhd's direct shareholdings in the Company pursuant to Section 8(4) of the Act.
- (iii) Deemed interested by virtue of her spouse and children's direct shareholdings in the Company pursuant to Section 59(11)(c) of the Act and Yinson Legacy Sdn Bhd's direct shareholding in the Company pursuant to Section 8(4) of the Act.
- (iv) Deemed interested in the shares held by Kumpulan Wang Persaraan (Diperbadankan)'s Fund Manager pursuant to Section 8 of the Act.
- (v) Assuming no shares and/or options granted under the ESS2015 and no warrants issued by the Company which are expiring on 21 June 2024, have been exercised.

Assuming no shares and/or options granted under the ESS2015 and no warrants issued by the Company which are expiring on 21 June 2024, have been exercised.

7. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of the Shares traded on Bursa Securities for the last twelve (12) months from May 2022 to April 2023 are as follows:

	Highest (RM)	Lowest (RM)
2022		
May	2.69	2.17
June	2.30	1.95
July	2.10	1.83
August	2.20	1.98
September	2.37	2.07
October	2.22	2.08
November	2.38	2.09
December	2.51	2.32
2023		
January	2.72	2.41
February	2.77	2.60
March	2.72	2.27
April	2.70	2.51

Last transacted price of Shares on the LPD was RM2.59

8. APPROVAL REQUIRED

The Proposed Renewal of Share Buy-Back Authority is subject to YHB Shareholders' approval at the forthcoming 30TH AGM to be convened.

The Proposed Renewal of Share Buy-Back Authority is not conditional upon any other corporate proposals undertaken or to be undertaken by YHB.

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

Save for the inadvertent increase in percentage of shareholdings and/ or voting rights of Shareholders as a result of the Proposed Renewal of Share Buy-Back Authority, none of the Directors, major Shareholders and/or chief executive of YHB and/or persons connected with them, has any interests, direct and/or indirect, in the Proposed Renewal of Share Buy-Back Authority.

10. DIRECTORS' RECOMMENDATION

The Board, after having considered all aspects of the Proposed Renewal of Share Buy-Back Authority, is of the opinion that the Proposed Renewal of Share Buy-Back Authority is in the best interest of the Company and accordingly, they recommend that you vote in favour of the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Authority to be tabled at the forthcoming 30TH AGM.

11. AGM

The 30TH AGM, the notice of which is set out in the Notice of AGM contained in YHB's Integrated Annual Report 2023, will be held on a virtual basis through live streaming from the broadcast venue at Yinson Global Headquarters, Level 16, Menara South Point, Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur, Malaysia on Thursday, 13 July 2023 at 10.30 a.m. or any adjournment thereof, for the purpose of considering and, if thought fit, passing the ordinary resolution, with or without any modifications to give effect to the Proposed Renewal of Share Buy-Back Authority.

If you are unable to attend and vote remotely at the 30TH AGM, you may appoint a proxy to attend and vote on your behalf by completing, signing and returning the Form of Proxy in accordance with the instructions contained therein as soon as possible and in any event so as to arrive at the office of the Company's Share Registrar, Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time set for holding the 30TH AGM or any adjournment thereof. The instrument appointing a proxy can also be electronically submitted to the Share Registrar via **Securities Services e-Portal** at <https://sshsb.net.my/> before the cut-off time as mentioned above. Kindly refer to the Administrative Details for the 30TH AGM which is available on the Company's website at www.yinson.com.

The completion and lodgement of the Form of Proxy will not preclude you from attending and voting remotely at the forthcoming 30TH AGM should you subsequently wish to do so.

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FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

Save as disclosed below, as at the LPD, YHB Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of YHB Group, and the Board is not aware of any proceedings, pending or threatened, against YHB Group or of any facts likely to give rise to any proceedings, which may materially or adversely affect the financial position or business of YHB Group:

A petition by Rising Sun Energy (K) Private Limited ("RSEK"), a subsidiary of YHB Group held via YR Nokh Pte Ltd, against NTPC Limited ("NTPC") and Chhattisgarh State Power Distribution Company Limited ("Chhattisgarh")

RSEK entered into a power purchase agreement dated 30 March 2021 ("the **PPA**") with NTPC whereby RSEK was commissioned to develop a solar power generating system for the supply of power to Chhattisgarh. Due to various changes in law resulting in increase in the rate of goods and services tax and imposition of basic customs duty for which RSEK under the PPA is entitled to compensation, RSEK filed a petition dated 14 July 2022 to Central Electricity Regulatory Commission ("**CERC**") at New Delhi, India, the mandated body to decide on such matter, seeking for an order for compensation amounting to Indian Rupee 3,557,805,223 (approximately RM187.0 million).

The first hearing before the CERC was heard on 15 December 2022 and NTPC and Chhattisgarh submitted their responses to CERC including details of the claim on 21 March 2023. A further hearing is scheduled on 25 May 2023.

The Company has been advised by its legal counsel in India that RSEK has a strong case on merits to obtain a favourable order.

3. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be made available for inspection at the registered office of YHB at Level 16, Menara South Point, Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur, Malaysia during normal business hours on Mondays to Fridays (except public holidays) from the date of this Statement up to and including the date of the 30TH AGM:

- (i) the Constitution;
- (ii) the audited financial statements of YHB for the past two (2) FYE 31 January 2022 and 31 January 2023; and
- (iii) the cause paper in respect of the material litigation referred to in Section 2 of Appendix I of Part B of this Circular.

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PART C

**LETTER FROM THE BOARD TO THE SHAREHOLDERS IN RELATION TO THE
PROPOSALS**



YINSON HOLDINGS BERHAD
Registration No. 199301004410 (259147-A)
(Incorporated in Malaysia under the Companies Act 1965
and deemed registered under the Companies Act 2016)

Registered Office
Level 16, Menara South Point
Mid Valley City
Medan Syed Putra Selatan
59200 Kuala Lumpur

31 May 2023

Board of Directors

Lim Han Weng (*Group Executive Chairman / Non-Independent Executive Director*)
Lim Chern Yuan (*Group Chief Executive Officer / Non-Independent Executive Director*)
Dato' Mohamad Nasir Bin AB Latif (*Independent Non-Executive Director*)
Bah Kim Lian (*Non-Independent Executive Director*)
Lim Han Joeeh (*Non-Independent Non-Executive Director*)
Dato' (Dr.) Wee Hoe Soon @ Gooi Hoe Soon (*Senior Independent Non-Executive Director*)
Datuk Abdullah Bin Karim (*Independent Non-Executive Director*)
Raja Datuk Zaharaton Binti Raja Zainal Abidin (*Independent Non-Executive Director*)
Fariza Binti Ali @ Taib (*Non-Independent Non-Executive Director*)
Sharifah Munira Bt. Syed Zaid Albar (*Independent Non-Executive Director*)
Gregory Lee (*Independent Non-Executive Director*)

To: The Shareholders of the Company

Dear Sir/Madam,

PROPOSED ESS2023 AND PROPOSED ALLOCATION

1. INTRODUCTION

On 5 May 2023, AmlInvestment Bank, on behalf of the Board, announced that the Company proposes to establish a new employees' share scheme of up to 10% of the total number of issued shares of YHB (excluding treasury shares, if any) at any point in time during the duration of the Scheme for Executive Directors and eligible employees of YHB Group (excluding dormant subsidiaries).

On 10 May 2023, AmlInvestment Bank, on behalf of the Board, announced that the listing application in relation to the Proposed ESS2023 had been submitted to Bursa Securities.

Pursuant to the Proposed ESS2023, the Company is also undertaking the Proposed Allocation.

On 25 May 2023, AmlInvestment Bank had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 24 May 2023, approved the listing of up to 10% of the total number of issued Shares (excluding treasury shares, if any) to be issued pursuant to the Proposed ESS2023 on the Main Market of Bursa Securities subject to the conditions as set out in Section 6 of Part C of this Circular.

Further details of the Proposed ESS2023 are set out in the ensuing sections in Part C of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSALS, TO SET OUT THE VIEW AND RECOMMENDATION OF THE BOARD AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING AGM. THE EXTRACT OF THE NOTICE OF 30TH AGM IS ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH ITS APPENDICES, BEFORE VOTING BY WAY OF POLL ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED ESS2023

At present, the Company has an on-going ESS2015 which was implemented on 3 November 2015 and is due to expire on 2 November 2025. The total number of Shares which are available under the ESS2015 is up to 10% of the total number of issued shares of the Company (excluding treasury shares).

Under the ESS2015, the Company generally has been granting awards to eligible participants and vesting the awards over a period of 3 years. The awards, if any, granted now under the ESS2015 would need to be vested and/or exercised before the ESS2015 expires on 2 November 2025.

In addition to the above, the Board has also approved the establishment of an LTIP on 26 June 2019 that entitles eligible persons to receive awards in the form of shares under the ESS2015 or bonus payout in cash (known as the Performance Bonus Scheme). As at LPD, no shares or bonuses have been allocated under the LTIP.

To be able to continue with YHB's current practice of vesting the awards over a 3-year period, the Company proposes to introduce the Proposed ESS2023. As and when the Proposed ESS2023 is implemented, the Company will have in place 2 share incentive schemes for its eligible employees and Executive Directors, i.e. the ESS2015 and the Proposed ESS2023. When the ESS2015 expires on 2 November 2025, the Proposed ESS2023 will be the only scheme in operation. The Company shall not grant further awards under the ESS2015 once the Proposed ESS2023 comes into effect. In any event, the total number of YHB Shares that can be granted under the ESS2015 and the Proposed ESS2023 shall not exceed 10% of the Company's total number of issued shares of the Company (excluding treasury shares). As shown in Section 2.16 of Part C of this Circular, as at to-date, the total outstanding number of awards granted under the ESS2015 is approximately 16.0 million (representing approximately 0.55% of the Company's total number of issued shares (excluding treasury shares)).

The salient terms of Proposed ESS2023 are set out below and the draft By-Laws is attached in Appendix I of Part C of this Circular. The terms of the ESS2015 are available in YHB's circular to shareholders dated 30 June 2015, a copy of which is available on <https://www.bursamalaysia.com/>.

The Proposed ESS2023 will entail the granting to Executive Directors and/or eligible employees of the YHB Group (excluding dormant companies) the following Awards:

- (i) the rights granted to the Scheme Participant to receive new and/or existing YHB Shares ("**Share Grant**"); and/or
- (ii) the rights of a Scheme Participant to subscribe for the YHB Shares at the Exercise Price ("**Options**"),

provided that prior to such specified future date of vesting or exercise, as the case may be, the relevant service condition(s) of the Selected Persons and/or the relevant condition(s) as may be stipulated by the NRC in the Offer, are duly fulfilled unless the NRC otherwise determines.

2.1 Size of the Proposed ESS2023

The maximum number of Shares to be allotted and issued and/or transferred pursuant to the Proposed ESS2023 shall not at any point in time in aggregate exceed 10% of the total number of issued Shares (excluding treasury shares) during the duration of the Scheme.

2.2 Basis of allocation and maximum allowable allotment

The allocation of YHB Shares to Selected Persons pursuant to the Proposed ESS2023 will be determined at the sole discretion of the NRC and subject to the provisions set out in the By-Laws. The percentage allocation of the Share Grant and/or the Options have yet to be determined at this juncture and will depend on amongst others, position, ranking, performance, seniority, length of service, contribution and potential contribution to the continued success of the Group and any other factors deemed appropriate by the NRC.

The NRC shall also have the discretion in deciding whether the Awards are staggered over the duration of the Scheme. The NRC may determine whether the timing for the vesting at their discretion. For avoidance of doubt, the NRC may at its discretion determine whether the granting of the Awards to the Eligible Persons shall be made in one single grant or staggered over the duration of the Proposed ESS2023 and/ or whether the Awards are subject to any vesting conditions including whether there is a need to meet certain performance targets.

Notwithstanding the foregoing, subject to any adjustments which may be made under the By-Laws, the aggregate maximum number of YHB Shares may be allocated to any one category/designation of Selected Person shall be determined by the NRC provided that:

- (i) the Executive Directors and Senior Management do not participate in the deliberation or discussion of their own allocation or person(s) connected to them;
- (ii) not more than 80% of the Maximum Shares available under the Proposed ESS2023 on any date shall be allocated in aggregate to the Executive Directors and Senior Management of the Group; and
- (iii) the allocation to any individual Selected Person who, either singly or collectively through persons connected (as defined in the Listing Requirements) with the Selected Person, holds 20% or more of the total number of issued shares of the Company (excluding treasury shares), shall not exceed 10% (or such percentage as the relevant authorities may permit) of the Maximum Shares.

2.3 Eligibility

Any Executive Director or employee of a corporation in the Group who meets the following criteria as at the Offer Date shall be eligible for consideration and selection as a Selected Person by the NRC:

- (i) if he/she has attained the age of 18 years and is not an undischarged bankrupt or subject to any bankruptcy proceedings;
- (ii) if he/she is employed on a full-time basis and is on the payroll of any corporation in the Group and has not served a notice to resign or received a notice of termination;
- (iii) if his/her employment has been confirmed in writing;
- (iv) if he/she is an Executive Director, chief executive or persons connected to them, the specific allocation of the Share Grant and the Options granted by the Company to him/her in his/her capacity as an Executive Director, chief executive or employees who are persons connected to them, under the Proposed ESS2023 has been approved by the Shareholders at a general meeting;

- (v) if he/she is serving in a specific designation under an employment contract for a fixed duration but not if he/she is merely employed for a specific project;
- (vi) if he/she fulfils any other criteria and/or falls within such category as may be set by the NRC from time to time,

provided always that the selection of any Eligible Person for participation in the Proposed ESS2023 shall be at the sole discretion of the Board and/or the NRC whose decision shall be final and binding.

2.4 Duration of the Proposed ESS2023

The Proposed ESS2023 shall take effect on such date to be determined and announced by the Board following full compliance with all relevant requirements of the Listing Requirements ("**Effective Date**") and shall continue to be in force for a period of 5 years from the Effective Date ("**Scheme Period**"):

- (i) approval-in-principle of Bursa Securities for the listing of and quotation for the new YHB Shares to be issued pursuant to the Proposed ESS2023;
- (ii) approval of the Shareholders;
- (iii) the submission to Bursa Securities of the final copy of the By-Laws together with a letter of compliance pursuant to paragraphs 2.12 and 6.42 of the Listing Requirements and a checklist showing compliance with Appendix 6E of the Listing Requirements;
- (iv) any other relevant regulatory authorities' approval, where applicable; and
- (v) fulfilment or waiver (as the case may be) of all conditions attached to the above approvals (if any),

provided always that on or before the expiry thereof, the Board shall have the discretion, without having to obtain approval of the Shareholders, to extend the tenure of the Proposed ESS2023 for another 5 years or such shorter period as it deems fit immediately from the expiry of the first 5 years and such extension of the Proposed ESS2023 made pursuant to the By-Laws shall not in aggregate exceed the duration of 10 years from the Effective Date. For the avoidance of doubt, no further sanction, approval, consent or authorisation of the Shareholders in a general meeting is required for any such extension.

2.5 Retention Period

The new YHB Shares to be allotted and issued and/or transferred to the Scheme Participants pursuant to the By-Laws will not be subjected to any retention period unless the NRC stipulates otherwise in the Offer.

The expression "retention period" means the period in which the new YHB Shares allotted and issued and/or transferred pursuant to the Scheme must not be sold, transferred, assigned or otherwise disposed of by the Scheme Participant.

2.6 Share Grant Price and Exercise Price

The Share Grant Price and the Exercise Price shall be at such price as may be determined by the NRC and shall be at a discount (as determined by the NRC) of not more than 10% of the 5-day VWAP of the YHB Shares transacted on the Bursa Securities immediately preceding the Offer Date (or such other basis as the relevant authorities may permit).

2.7 Ranking of the new YHB Shares

The new YHB Shares to be allotted and issued pursuant to the Scheme, shall rank equally in respect to the all respects with the existing YHB Shares except that the new YHB Shares shall not be entitled to any voting rights, dividends, rights, allotments, entitlements and/or any other distributions that may be declared, made or paid to the Shareholders, the entitlement date which is prior to the date of allotment and issuance of the new YHB Shares.

The YHB Shares to be transferred shall not be entitled to any dividend, rights, allotments and/or any other distributions which may be declared, made or paid to the Shareholders, provided that the books closure date is prior to the date on which the YHB Shares are credited into the Scheme Participants' respective CDS Account.

The new YHB Shares shall be subjected to all the provisions of the Constitution in relation to their allotment and issuance, transfer, transmission, liquidation or otherwise.

2.8 Listing of and quotation for the new YHB Shares to be issued pursuant to the Proposed ESS2023

Bursa Securities had vide its letter dated 24 May 2023 approved the listing of and quotation for such number of additional new YHB Shares, representing up to 10% of the total number of issued shares of YHB (excluding treasury shares, if any) to be issued pursuant to the Proposed ESS2023 on the Main Market of Bursa Securities.

2.9 NRC

The Scheme shall be implemented and administered by the NRC and consisting such persons appointed by the Board from time to time. The NRC shall, subject to the By-Laws, implement and administer the Scheme in such manner as it shall think fit and with such powers and duties as are conferred upon it by the Board.

2.10 Alteration of capital and adjustments

Notwithstanding anything contained in the By-Laws and subject to any applicable laws and the Listing Requirements, in the event of any alteration in the capital structure of the Company during the Scheme Period, whether by way of rights issue, bonus issue or other capitalisation issues, subdivision or consolidation of YHB Shares or reduction of capital or any other variation of capital being effected, the NRC may, in its sole discretion, determine whether:

- (i) the Share Grant Price and/or the Exercise Price; and/or
- (ii) the number of the Share Grants and/or the Options comprised in the Offer,

shall be adjusted and if so, the manner in which such adjustments should be made.

2.11 Amendment, variation and/or modification to the Proposed ESS2023

Subject to the By-Laws and compliance with the Listing Requirements and the approvals of any other authorities (if required), the NRC may at any time and from time to time recommend to the Board any additions, amendments and/or modifications to and/or deletions of the By-Laws as it shall in its discretion think fit and the Board shall at any time and from time to time have the power by resolution to add to, amend, modify and/or delete all or any part of the By-Laws upon such recommendation.

The approval of the Shareholders in general meeting shall not be required in respect of additions, amendment and/or modification to or deletion of the By-Laws save and except if such addition, amendment modifications and/or deletion would:

- (i) increase the number of YHB Shares beyond the Maximum Shares; or

- (ii) provide an advantage to any Scheme Participant or group of Scheme Participants or all the Scheme Participants unless otherwise permitted under the provisions of the Listing Requirements.

2.12 Acceptance of the Offer

The Offer may only be accepted by the Selected Person during the offer period in such form and manner as may be prescribed by the Company and/or the NRC at such consideration as may be determined by the NRC. The date of receipt by the Company of such form, completed in the manner prescribed by the Company and/or the NRC, shall be the date of acceptance of the Offer by the Selected Person, provided that the Proposed ESS2023 is not terminated pursuant to the By-Laws.

Unless the NRC otherwise decides, in the event that the Selected Person fails to accept the Offer in the manner prescribed within the offer period, the Offer shall automatically lapse and shall be, then, null and void provided that the NRC shall not be precluded from making a fresh Offer to the Selected Person who has not accepted the Offer previously.

2.13 Fees, costs, and expenses

The Company shall bear all fees, costs and expenses incurred in relation to the Proposed ESS2023 including but not limited to the costs and expenses relating to the allotment and issue and/or transfer of the YHB Shares pursuant to an Award and upon the exercise of any Option.

However, each Scheme Participant shall be solely responsible for the brokerage commissions and stamp duty for holding or dealing of the YHB Shares and any taxes (including income tax) which may be levied on him/her arising out of or as a result of such issuance and allotment or transfer of YHB Shares referred to in the By-Laws.

2.14 Termination of the Proposed ESS2023

Notwithstanding anything set out in the By-Laws and subject always to compliance with Bursa Securities and any other regulatory authorities' guidelines or directives, the Company may by notice in writing to affected Scheme Participants, terminate the Proposed ESS2023 at any time during the Scheme Period, whereupon any unvested Share Grant and/or unexercised Options shall be deemed to have been cancelled and be null and void on the date specified in the notice ("**Termination Date**") provided that the NRC may in its discretion, permit the vesting of unvested Share Grant (or any part thereof) in the Scheme Participant and/or the exercise of any unexercised Options by the Scheme Participant at any time prior to the Termination Date subject to such terms and conditions as may be prescribed notwithstanding that:

- (i) the vesting date is not due or has not occurred; and/or
- (ii) the option period has not commenced; and/or
- (iii) other terms and conditions set out in the Offer has not been fulfilled/satisfied.

All Options which the NRC permits to be exercisable pursuant to the By-Laws, shall automatically lapse and shall become null and void to the extent unexercised by the Termination Date.

2.15 Utilisation of proceeds

Any proceeds to be received by the Company pursuant to the exercise of the Options to be satisfied by issuance of new Shares under the Proposed ESS2023 (which will depend on, amongst others, the number of Options granted and exercised at the relevant point in time and Exercise Price) will be utilised for working capital purposes. At this juncture, the Company has not decided on the timeframe for the utilisation of such proceeds.

2.16 Information on the ESS2015

As at the LPD, YHB had granted a total of 45,494,654 options to the eligible directors and employees of the YHB Group since the commencement of the ESS2015, of which 23,075,418 options had been exercised whilst 6,310,655 options had lapsed or been forfeited/cancelled resulting in 16,108,581 outstanding Options.

As at LPD, no shares or bonus payout in cash have been awarded under the LTIP.

The details of the awards under the ESS2015 as at LPD are as follows:

From 2 November 2015 up to the LPD awards under the ESS2015					
Category of Employees	Actual Percentage Granted (%)	Total Number Granted	Total Number Exercised	Total Number Lapsed/ Forfeited/ Cancelled	Total Number Outstanding
Directors	28.00	12,739,497	8,076,900	447	4,662,150
Senior management	25.01	11,377,490	8,260,900	1,158,490	1,958,100
Total for directors and senior management	53.01	24,116,987	16,337,800	1,158,937	6,620,250
Other employees	46.99	21,377,667	6,737,618	5,151,718	9,488,331
Total options under the ESS2015	100.00	45,494,654	23,075,418	6,310,655	16,108,581

Percentage over the total number of issued share capital of YHB (excluding treasury shares) as at LPD 0.55

In accordance with the by-laws for the ESS2015:

- (i) not more than 80% of the new Shares available under the ESS2015 on any date shall be allocated, in aggregate, to the directors (including non-executive directors) and senior management of the Group; and
- (ii) the allocation to any individual Selected Person who, either singly or collectively through persons connected with the Selected Person (as defined in the Listing Requirements), holds 20% or more of the issued share capital of the Company (excluding treasury shares), shall not exceed 10% (or such percentage as the relevant authorities may permit) of the new Shares available under the ESS2015.

3. RATIONALE

The establishment of the Proposed ESS2023 is to:

- (i) position the employees' payout to the Group's business objectives by aligning the interests of the employees to the Group's strategic goals;
- (ii) motivate and retain existing employees as well as attract prospective skilled and experienced employees to the Group by making the total compensation package more attractive; and
- (iii) allow the Eligible Persons to directly participate in the equity of the Company and motivate them to contribute to the future growth of the Group.

4. EFFECTS OF THE PROPOSED ESS2023

4.1 Share capital

The Proposed ESS2023 will not have an immediate effect on the existing share capital of the Company until and unless new YHB Shares are vested and/or the Options are exercised pursuant to the Awards granted under the Proposed ESS2023. The issued share capital of YHB will increase progressively depending on the number of Awards vested and exercised. There will be no effect on the share capital of the Company if the Awards granted under the Proposed ESS2023 are satisfied via the transfer of existing YHB Shares or treasury shares, or settled in cash to the relevant Scheme Participants.

For illustration purposes, the proforma effect of the Proposed ESS2023 on the share capital of the Company could be as follows:

	Number of YHB Shares	RM
Issued share capital as at LPD (excluding treasury shares)	2,906,531,869	2,371,654,727
Issuance of new YHB Shares pursuant to the Proposed ESS2023	(i) 290,653,187	(i) 680,128,457
Enlarged share capital	3,197,185,056	3,051,783,184

Note:

- (i) Assuming the Maximum Shares under the Proposed ESS2023 are granted and the Awards are satisfied via the issuance of new YHB Shares at an indicative issue price of RM2.34, being 9.8% discount to the 5-day VWAP of YHB Shares up to and including the LPD of RM2.5948.

4.2 NA per YHB Share and gearing

The Proposed ESS2023 will not have an immediate effect on the consolidated NA and NA per Share of YHB based on its latest audited consolidated financial statements as at 31 January 2023 until such time when the Awards granted under the Proposed ESS2023 are vested and/or exercised.

The potential effect on the consolidated NA and NA per Share of YHB would depend on factors such as the number and types of the Awards granted and the fair value of the Awards after considering, amongst others, the Share Grant Price and/or the Exercise Price as well as any vesting conditions; and the mode of settlement, which will only be determined at the time of exercise of the Awards granted. Any allotment and issuance of new YHB Shares and/or transfer of treasury shares arising from the exercise of the Awards granted may have a dilutive effect on the NA per Share of YHB due to the resultant increase in the total number of issued YHB Shares. The Proposed ESS2023 is not expected to have an immediate effect on the Group's gearing level until such time when the Options are exercised. The effect on the gearing will depend on the change in the NA, which in turn will depend on the actual number of new Shares to be issued as well as the Exercise Price payable upon the exercise of the Options.

4.3 Substantial Shareholders' Shareholdings

The Proposed ESS2023 is not expected to have any immediate effect on the substantial shareholders' shareholdings in the Company until and unless the substantial shareholders of the Company are Scheme Participants themselves and/or new YHB Shares are issued pursuant to the vesting of the Awards under the Proposed ESS2023. The potential effect on the Company's substantial shareholders' shareholdings would depend on the number of new YHB Shares issued at the relevant point in time.

If existing YHB Shares are transferred to the Scheme Participants as a mode of settlement for the Awards, there will be no impact on the shareholdings of YHB's substantial shareholders unless such Scheme Participants are also substantial shareholders of the Company. If the Awards are settled in cash, there will be no effect on the shareholdings of YHB's substantial shareholders.

For illustration purposes, assuming the Maximum Shares under the Proposed ESS2023 are granted, and the Awards are satisfied via the issuance of new YHB Shares, the pro forma effects of the Proposed ESS2023 on the substantial shareholders' shareholdings are as follows:

Substantial Shareholder ⁽ⁱ⁾	As at LPD				After Proposed ESS2023 ⁽ⁱⁱ⁾			
	Direct Interest		Indirect Interest		Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Lim Han Weng	43,611,477	1.50	⁽ⁱⁱⁱ⁾ 668,454,203	⁽ⁱⁱⁱ⁾ 23.00	72,676,795	2.27	⁽ⁱⁱⁱ⁾ 755,650,157	⁽ⁱⁱⁱ⁾ 23.63
EPF	485,167,956	16.69	-	-	485,167,956	15.17	-	-
Kumpulan Wang Persaraan (Diperbadankan)	104,415,400	3.59	^(iv) 86,109,840	^(iv) 2.96	104,415,400	3.27	^(iv) 86,109,840	^(iv) 2.69
Bah Kim Lian	9,832,000	0.34	^(v) 630,089,380	^(v) 21.68	38,897,318	1.22	^(v) 717,285,334	^(v) 22.43
Yinson Legacy Sdn Bhd	572,905,063	19.71	-	-	572,905,063	17.92	-	-

Notes:

- (i) According to the Register of Substantial Shareholders as at the LPD (excluding treasury shares).
- (ii) Assuming Lim Han Weng, Bah Kim Lian, Lim Chern Yuan and Lim Chern Wooi are awarded the maximum allocation of 29,065,318 Options each, representing 10% of the Maximum Shares.
- (iii) Deemed interested by virtue of his spouse and children's direct shareholdings in the Company pursuant to Section 59(11)(c) of the Act and Liannex Corporation (S) Pte Ltd and Yinson Legacy Sdn Bhd's direct shareholdings in the Company pursuant to Section 8(4) of the Act.
- (iv) Deemed interested in the shares held by KWAP's Fund Manager pursuant to Section 8 of the Act.
- (v) Deemed interested by virtue of her spouse and children's direct shareholdings in the Company pursuant to Section 59(11)(c) of the Act and Yinson Legacy Sdn Bhd's direct shareholdings in the Company pursuant to Section 8(4) of the Act.

4.4 Earnings and EPS

The Proposed ESS2023 is not expected to have any immediate material effect on the earnings and EPS of the Company until such time when the Awards are granted.

Under MFRS 2 *Share-based Payment* issued by the Malaysian Accounting Standards Board, the potential cost arising from the granting of the Awards, which is measured based on the fair value of the Awards to be determined at the grant date, is recognised as an expense over the vesting period of the Awards, and therefore may affect the future earnings of the Group. For information, depending on the manner in which the Awards are settled, the potential cost may not necessarily represent a cash outflow by the Company.

Accordingly, the potential effect on the EPS of the Group cannot be reasonably determined at this juncture as it would depend on amongst others, the impact of MFRS 2, the number and form of Awards granted and/or exercised, and the various factors that affect the fair value of the Awards to be granted. The fair value of the Awards would in turn depend on, amongst others, the Share Grant Price and/or Exercise Price as well as the market price, remaining tenure of the scheme and volatility of YHB Shares.

If the Awards are settled via allotment and issuance of new YHB Shares, transfer of treasury shares and/or existing YHB Shares, it may result in an immediate dilution in YHB's EPS as a result of the increase in the number of YHB Shares pursuant to the vesting of Share Grants and/or exercise of Options.

The Board will take proactive measures to manage the effect on the earnings and EPS of the Group in granting the Awards.

The estimated expenses of RM0.5 million pursuant to the establishment of the Proposed ESS2023 will be funded by internally generated funds of the Group.

4.5 Convertible Securities

As at the LPD, the Company has the following convertible securities:

- (i) 361,802,016 outstanding warrants issued by YHB expiring on 21 June 2025 ("**Warrants**") which have yet to be exercised; and
- (ii) 16,108,581 outstanding options from ESS2015 expiring on 2 November 2025 ("**2015 Options**") which have yet to be exercised,

As stated in Section 2 of Part C of this Circular, as at LPD, no shares or bonuses have been allocated under the LTIP.

Save for the above, the Company does not have any other convertible securities in issue as at the LPD. For information, the Proposals will not result to any adjustment to the Warrants pursuant to the deed poll dated 12 May 2022.

5. HISTORICAL SHARE PRICES

The monthly highest and lowest closing market price of YHB Shares traded on the Main Market of Bursa Securities for the past twelve months preceding the date of this Circular are set out as below:

	Highest RM	Lowest RM
2022		
May	2.69	2.17
June	2.30	1.95
July	2.10	1.83
August	2.20	1.98
September	2.37	2.07
October	2.22	2.08
November	2.38	2.09
December	2.51	2.32
2023		
January	2.72	2.41
February	2.77	2.60
March	2.72	2.27
April	2.70	2.51
Last transacted market price on 3 May 2023 (being the last Market Day prior to the announcement of the Proposals)		
		2.60
Last transacted market price as at the LPD		
		2.59

(Source: Bloomberg)

6. APPROVALS REQUIRED

The Proposed ESS2023 is conditional upon the following approvals being obtained from:

- (i) Bursa Securities for the listing of and quotation for the new YHB Shares to be issued arising from the granting of Awards obtained vide its letter dated 24 May 2023 and subject to the following conditions:

No.	Conditions	Status of compliance
1.	YHB is required to submit a confirmation to Bursa Securities of full compliance of the Proposed ESS2023 pursuant to paragraph 6.43(1) of the Listing Requirements and stating the effective date of implementation	To be complied
2.	AmInvestment Bank is required to furnish Bursa Securities with certified true copy of the resolution passed by the Shareholders in general meeting approving the Proposed ESS2023	To be complied
3.	YHB is required to furnish Bursa Securities on a quarterly basis a summary of the total number of YHB Shares listed pursuant to the Proposed ESS2023 as at the end of each quarter together with a detailed computation of listing fees payable	To be complied

- (ii) YHB Shareholders at the 30TH AGM to be convened for the Proposed ESS2023; and

- (iii) any other relevant authorities (where applicable).

Compliance of Section 85 of the Act

Section 85(1) of the Act states that:

“Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders”.

Clause 13(G) of the Constitution states that:

“Subject to any direction to the contrary that may be given by the Company in General Meeting, all new shares or other convertible Securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or Securities offered, the Directors may dispose of those shares or Securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new share or Security which (by reason of the ratio which the new shares or Securities bear to shares or Securities held by persons entitled to an offer of new shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution.”

By approving the issuance and allotment of the new YHB Shares in the Company pursuant to the Proposed ESS2023 which will rank equally with the existing issued shares in the Company, the Shareholders are waiving their pre-emptive rights pursuant to Section 85(1) of the Act and Clause 13(G) of the Constitution to be first offered the YHB Shares which will result in a dilution to their shareholding percentage in the Company.

7. INTER-CONDITIONALITY

The Proposed ESS2023 is not conditional upon any other corporate exercises undertaken or to be undertaken by YHB.

8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED TO THEM

None of the Directors, major Shareholders and/or chief executive of YHB and/or persons connected with them, has any interest, direct and/or indirect, in the Proposed ESS2023.

The Executive Directors are only deemed interested in the Proposed ESS2023 to the extent of their respective allocations, as well as allocations to persons connected with them under the Proposed ESS2023.

Therefore, Mr Lim Han Weng, being the Group Executive Chairman/Non-Independent Executive Director of the Company and major shareholder of YHB ("**Lim Han Weng**"), Mr Lim Chern Yuan, being the Group Chief Executive Officer/Non-Independent Executive Director ("**Lim Chern Yuan**") and Madam Bah Kim Lian, a Non-Independent Executive Director of the Company and major shareholder of YHB ("**Bah Kim Lian**") are deemed interested in the Proposed Allocation to the extent of their respective allocations as well as allocations to persons connected with them under the Proposed ESS2023. Lim Han Weng, Lim Chern Yuan and Bah Kim Lian shall be referred to as "**Interested Directors**".

Yinson Legacy Sdn Bhd ("**Yinson Legacy**") is a company controlled by Lim Han Weng and Bah Kim Lian and as such is also deemed interested in the Proposed Allocation to the extent of the respective allocations to the Interested Directors as well as allocations to persons connected with them under the Proposed ESS2023. Yinson Legacy, Lim Han Weng and Bah Kim Lian shall collectively be referred to as "**Interested Major Shareholders**".

Further, Mr Lim Chern Wooi, being the Chief Executive Officer, Regulus Offshore of YHB, is the son of Lim Han Weng and Bah Kim Lian and is eligible for the Proposed Allocation under the Proposed ESS2023.

Accordingly, all Interested Directors have abstained and will continue to abstain from all deliberations and voting in respect of the specific allocation of the Awards to themselves as well as the specific allocations to any persons connected with them (if any) at the relevant Board meetings of the Company.

The Interested Directors will also abstain and have undertaken to ensure that persons connected with them will abstain from voting in respect of their direct and/or indirect shareholdings in YHB on the resolutions pertaining to any specific allocations of the Awards to themselves, as well as the specific allocations to any persons connected with them under the Proposals at the 30TH AGM to be convened.

The Interested Major Shareholder will also abstain from voting and have undertaken to ensure that persons connected with them will abstain from voting in respect of their direct and/or indirect shareholdings in YHB on the resolutions pertaining to any specific allocations of the Awards to the Interested Directors, as well as the specific allocations to any persons connected with the Interested Directors under the Proposals at the 30TH AGM to be convened.

The details of the Interested Directors' and Interested Major Shareholders' shareholdings in the Company as at the LPD are as below:

	Direct		Indirect	
	No. of YHB Shares	%	No. of YHB Shares	%
Lim Han Weng	43,611,477	1.50	668,454,203 ⁽ⁱ⁾	23.00 ⁽ⁱ⁾
Lim Chern Yuan	4,970,960	0.17	-	-
Bah Kim Lian	9,832,000	0.34	630,089,380 ⁽ⁱⁱ⁾	21.68 ⁽ⁱⁱ⁾
Yinson Legacy	572,905,063	19.71	-	-

Notes:

- (i) Deemed interested by virtue of his spouse and children's direct shareholdings in the Company pursuant to Section 59(11)(c) of the Act and Liannex Corporation (S) Pte Ltd and Yinson Legacy's direct shareholdings in the Company pursuant to Section 8(4) of the Act.
- (ii) Deemed interested by virtue of her spouse and children's direct shareholdings in the Company pursuant to Section 59(11)(c) of the Act and Yinson Legacy's direct shareholdings in the Company pursuant to Section 8(4) of the Act.

9. DIRECTORS' STATEMENT AND RECOMMENDATION

Having considered all aspects of the Proposals (including but not limited to the rationale and proforma / illustrative effects of the Proposals) and after careful deliberation, the Board (save for the Interested Directors who have abstained from expressing any opinion and recommendation insofar as their specific allocations and specific allocations to any persons connected with them (if any) under the Proposed Allocation is concerned) is of the opinion that the Proposals are in the best interests of the Company.

Accordingly, the Board (save for the Interested Directors who have abstained from expressing any opinion and recommendation insofar on their specific allocations and specific allocations to any persons connected with them (if any) under the Proposed Allocation is concerned) recommends that you vote in favour of the resolutions pertaining to the Proposals to be tabled at the 30TH AGM.

10. CORPORATE PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals, which are the subject matter of this Circular, the Board confirms that there are no other outstanding corporate proposals that have been announced through Bursa Securities but not yet completed prior to the printing of this Circular.

11. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances, and subject to the receipts of all required approvals from the relevant parties and authorities, the Proposals are expected to be completed by the third quarter of 2023.

12. AGM

The 30TH AGM of the Company, the notice of which is enclosed in the YHB's Integrated Annual Report 2023, is scheduled to be held on a virtual basis through live streaming from the broadcast venue at Yinson Global Headquarters, Level 16, Menara South Point, Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur, Malaysia on Thursday, 13 July 2023 at 10.30 a.m. or any adjournment thereof via its Securities Services e-Portal ("SSeP") at <https://sshsb.net.my/> for the purpose of considering and if thought fit, passing with or without modification, the resolutions to give effect to the Proposals. An extract of the notice of the 30TH AGM is enclosed in Appendix III of Part C of this Circular.

If you are unable to attend and vote at the 30TH AGM, please complete the Form of Proxy as set out in the YHB's Integrated Annual Report 2023 in accordance with the instructions contained therein. The Form of Proxy should be lodged at the Company's share registrar, Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time and date fixed for holding the 30TH AGM or at any adjournment thereof. Alternatively, you may submit an e-Proxy form via Securities Services e-Portal at <https://sshsb.net.my/> ("**eProxy Lodgement**"). Please refer to the Administrative Details for the 30TH AGM for the steps on the eProxy Lodgement which is available on the Company's website at www.yinson.com. The lodging of the Form of Proxy will not preclude a shareholder from attending and voting remotely at the 30TH AGM should the shareholder subsequently wish to do so.

13. FURTHER INFORMATION

You are requested to refer to the enclosed appendices in this Circular for further information.

Yours faithfully
For and on behalf of the Board of
YINSON HOLDINGS BERHAD

LIM HAN WENG
Group Executive Chairman

YINSON HOLDINGS BERHAD
(REGISTRATION NO. 199301004410 (259147-A))
EMPLOYEES' SHARE SCHEME 2023

1. DEFINITIONS AND INTERPRETATIONS

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

Term	Meaning
"Adviser"	: Any person who is eligible to act as a principal adviser that fulfils the requirements as set out in the Guidelines on Submission of Corporate and Capital Market Product Proposals as well as Chapter 7A of the Licensing Handbook issued by the Securities Commission Malaysia
"Auditor"	: Shall have the meaning given in Section 2 of the Companies Act and shall be the external auditors for the time being of the Company or such other external auditors licensed by the Audit Oversight Board of Malaysia as may be nominated or approved by the Board for the purpose of carrying out such matter as required under this By-Laws
"Awards"	: The awards granted to the Selected Persons comprising the Share Grant and/or the Options
"Board"	: The board of directors of YHB, 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))
"By-Laws"	: The rules, terms and conditions of the Scheme as set out herein, and shall include any amendments or variations made thereto from time to time
"CDS"	: The Central Depository System governed under SICDA
"Companies Act"	: Companies Act 2016
"Company" or "YHB"	: Yinson Holdings Berhad (Registration No. 199301004410 (259147-A)) and shall, where the context admits, include its successors in title
"Director"	: A director within the meaning stipulated in the Companies Act
"Effective Date"	: The date in which the Scheme comes into force as referred to in By-Law 6.1

DRAFT BY-LAWS (CONT'D)

Term	Meaning
"Eligible Person"	: Any employee or Executive Director of the Group who fulfils the conditions of eligibility as stipulated in By-Law 4. For the avoidance of doubt, the Eligible Persons shall exclude the non-Executive Director of YHB Group
ESS2015	: The Employees' Share Scheme of YHB which took effect on 3 November 2015 and is expiring on 2 November 2025
"Exercise Price"	: The price which a Scheme Participant is required to pay to be entitled to subscribe for or acquire each YHB Share pursuant to the exercise of an Option
"Group" or "YHB Group"	: YHB and its Subsidiaries
"Listing Requirements"	: The Main Market Listing Requirements of Bursa Securities
"Market Day"	: A day on which Bursa Securities is open for trading in securities
"Maximum Allowable Allocation"	: The aggregate maximum number of YHB Shares that may be allocated to any one category/designation of the Selected Persons pursuant to By-Law 5
"Maximum Shares"	: The maximum number of YHB Shares which may be made available under the Scheme which shall not exceed in aggregate 10% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the Scheme Period
"NRC"	: Nominating and Remuneration Committee of the Company comprising such persons as may be appointed and duly authorised by the Board to implement and administer the Scheme
"Offer"	: An offer of an Award made in writing by the NRC to the Selected Person pursuant to By-Law 8
"Offer Date"	: The date on which an Offer is made or deemed to be made by the NRC to a Selected Person, which shall be the date the Offer is served in accordance with By-Law 35
"Offer Period"	: The period of 30 days from the Offer Date or such other period as may be determined by the NRC and specified in the Offer during which an Offer may be accepted
"Options"	: A component of the Scheme, being the right of a Selected Participant to subscribe for the YHB Shares
"Option Period"	: The period during which an Option may be exercised as may be specified in the Offer
"Performance Period"	: The period in which the Performance Targets as stipulated by the NRC and set out in the Offer is required to be performed

DRAFT BY-LAWS (CONT'D)

Term	Meaning
"Performance Targets"	: The performance targets as stipulated by the NRC and as set out in an Offer which are to be achieved by the Scheme Participants and/or the Group during the Performance Period
"Registered Office"	: The registered address of the Company being Level 16, Menara South Point, Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur
"RM" and "sen"	: Ringgit Malaysia and sen respectively, the lawful currency of Malaysia
"Rules of Bursa Depository"	: The Rules of Bursa Depository as issued pursuant to the SICDA
"Scheme"	: The Yinson Holdings Berhad's Employees' Share Scheme 2023 as set up under and governed by these By-Laws, comprising the Share Grant and the Options
"Scheme Participant"	: A Selected Person who has duly accepted an Offer in accordance with these By-Laws
"Scheme Period"	: The period of the Scheme as set out in By-Law 6.1
"Selected Person"	: An Eligible Person to whom an Offer has been made pursuant to By-Law 8
"Senior Management"	: Such employees as the NRC may in its sole discretion determine to be the senior management of the Group
"Service Period"	: The period determined by the NRC and stipulated in the Offer during which a Scheme Participant: <ul style="list-style-type: none"> (a) must remain/continue in continuous employment with any corporation in the Group; and (b) must not have given a notice to resign or received a notice of termination
"Share Grant Price"	: The reference price which is used to determine the number of Share Grant to be granted under the Awards as stipulated in the Offer
"Share Grant"	: A component of the Scheme, being the rights granted to the Scheme Participant to receive new and/or existing YHB Shares, subject to the terms and conditions of the By-Laws
"SICDA"	: Securities Industry (Central Depositories) Act 1991

DRAFT BY-LAWS (CONT'D)

Term	Meaning
"Subsidiaries"	: Subsidiaries of YHB within the meaning of Section 4 of the Companies Act which are not dormant and shall include such subsidiaries which are existing as at the Effective Date and those subsequently acquired or incorporated at any time during the Scheme Period unless determined by the Board and/or the NRC in its absolute discretion, that any such subsidiary of the Company shall not fall within this expression
"Terms of Reference"	: The terms of reference of the NRC to regulate and govern amongst others the NRC's functions and/or responsibilities under these By-Laws as amended from time to time
"Trust"	: The trust established to facilitate the implementation of the Scheme
"Trust Deed"	: The trust deed constituting the Trust
"Trustee"	: The trustee for the time being appointed to be the trustee for the Scheme pursuant to By-Law 21.2
"Unexercised Options"	: Such Options and any part thereof which have not been fully exercised at the relevant time and in respect of which the Option Period has not expired
"Unvested Share Grant"	: Such Share Grant or any part thereof which have not been vested in the Scheme Participant pursuant to an Award (excluding Share Grant in respect of Options which have been exercised pursuant to By-Law 13), by the relevant date
"Value"	: The value which is used to determine the number of the Share Grants or the Options offered to a Selected Person under an Award as stipulated in the Offer
"Vesting Date"	: The date on which the Share Grant or Option granted pursuant an Award vests in the Scheme Participant
"YHB Shares"	: Ordinary shares in the Company
1.2	In these By-Laws, unless the context requires otherwise, words importing the singular number include the plural and vice versa and words importing the masculine, feminine or neuter gender shall include all genders.
1.3	Any reference to "By-Law" is a reference to a By-Law of these By-Laws.
1.4	The headings and sub-headings herein are inserted for convenience only and shall not affect the interpretation of these By-Laws.
1.5	Any reference to a statute, statutory provision, guidelines, regulations or rules includes a reference to that statute, statutory provision (and all statutory instruments or orders made pursuant to it), guidelines, regulations and rules, as from time to time amended, extended, re-enacted or consolidated.

DRAFT BY-LAWS (CONT'D)

- 1.6 Any liberty, power or discretion which may be exercised or any decision or determination which may be made under these By Laws:
- (a) by the Board may be exercised in the Board's sole and absolute discretion; or
 - (b) by the NRC may be exercised in the NRC's and absolute discretion, but subject always to the Board's power to overrule any decision of the NRC; or
 - (c) neither the Board nor the NRC shall be under any obligation to give any reason for the same, except as may be required by the relevant regulatory authorities.
- 1.7 If an event is to occur on a stipulated day which is not a Market Day, then the stipulated day will be taken to be the first Market Day after that day, and if an event is to occur on a stipulated day which falls after the expiry of the Scheme Period, then the stipulated day will be taken to be the last Market Day of the Scheme Period.
- 1.8 In the event of any change in the name of the Company from its present name, all references to "Yinson Holdings Berhad" in these By-Laws and all other documents pertaining to the Scheme shall be deemed to be references to the Company's new name.

2. THE SCHEME

- 2.1 The Scheme shall be called the "Yinson Holdings Berhad's Employees' Share Scheme 2023".
- 2.2 The establishment of this Scheme primarily serves to align the interest of the Eligible Persons to the performance of the Group. As such, the Scheme is established to achieve the objectives as set out below:
- (a) to position the employees' payout to the Group's business objectives by aligning the interests of the employees to the Group's strategic goals;
 - (b) to motivate and retain existing employees as well as attract prospective skilled and experienced employees to the Group by making the total compensation package more attractive; and
 - (c) to allow the Eligible Persons to directly participate in the equity of the Company and motivate them to contribute to the future growth of the Group.

3. MAXIMUM NUMBER OF YHB SHARES AVAILABLE UNDER THE SCHEME

- 3.1 Subject to By-Law 3.2, the maximum number of the YHB Shares which may be made available under the Scheme shall not exceed in aggregate 10% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the Scheme Period ("**Maximum Shares**").
- 3.2 In the event that the Company purchases or cancels its own shares in accordance with the provisions of Section 127 of the Companies Act or otherwise howsoever or undertakes any other corporate proposal resulting in the reduction of its total number of issued shares of the Company, the following provisions shall apply in respect of future Offers but all the Share Grant and the Options granted prior to such purchase and/or the reduction/adjustment of the total issued shares of the Company shall remain valid or exercisable in accordance with the provisions of the Scheme as if that reduction/adjustment had not occurred:
- (a) if, after such purchase, cancellation or reduction, the aggregate number of YHB Shares in respect of the Awards granted by the Company as at the date of purchase, cancellation or reduction of shares is greater than the Maximum Shares, no further Offers shall be made by the NRC until such aggregate number of the YHB Shares in respect of the Awards granted falls below the Maximum Shares; and

DRAFT BY-LAWS (CONT'D)

- (b) if, after such purchase, cancellation or reduction, the aggregate number of YHB Shares in respect of the Awards granted by the Company as at the date of purchase, cancellation or reduction of shares is less than the Maximum Shares, the NRC may make further Offers but only until such aggregate number of the YHB Shares in respect of the Awards granted is equivalent to the Maximum Shares after such purchase, cancellation or reduction.

Notwithstanding the above, the Company may implement more than 1 Scheme during the Scheme Period provided that the aggregate YHB Shares available for issuance under all the share issuance schemes implemented by the Company are not more than 10% of its total number of issued shares of the Company (excluding treasury shares, if any) at any one time.

- 3.3 The Company will use all reasonable efforts to make available/ensure that it has available and sufficient YHB Shares to satisfy the Offers made during the Scheme Period.

4. ELIGIBILITY

- 4.1 Any Executive Director (excluding non-Executive Directors) or employee of a corporation in the Group who meets the following criteria as at the Offer Date shall be eligible for consideration and selection as a Selected Person by the NRC:

- (a) if he/she has attained the age of 18 years and is not an undischarged bankrupt or subject to any bankruptcy proceedings;
- (b) if he/she is employed on a full-time basis and is on the payroll of any corporation in the Group and has not served a notice to resign or received a notice of termination;
- (c) if his/her employment has been confirmed in writing;
- (d) if he/she is an Executive Director (excluding non-Executive Directors), major shareholder, chief executive or persons connected to them, the specific allocation of the Share Grant and the Options granted by the Company to him/her in his/her capacity as an Executive Director (excluding non-Executive Directors), major shareholder, chief executive or persons connected to them, under the Scheme has been approved by the shareholders of the Company at a general meeting;
- (e) if he/she is serving in a specific designation under an employment contract for a fixed duration but not if he/she is merely employed for a specific project;
- (f) if he/she fulfils any other criteria and/or falls within such category as may be set by the NRC from time to time,

provided always that the selection of any Eligible Person for participation in the Scheme shall be at the sole discretion of the Board and/or the NRC whose decision shall be final and binding.

- 4.2 Eligibility for consideration under the Scheme does not confer an Eligible Person with any rights whatsoever under or to participate in the Scheme.
- 4.3 Subject to the terms and conditions of the Scheme, the NRC shall determine and designate, from time to time, such Eligible Persons on the basis of their contributions to the development and growth of the Group, who will be granted one or more Awards under the Scheme.
- 4.4 The selection of any Eligible Person for participation in the Scheme shall be at the sole discretion of the Board and/or the NRC whose decision shall be final and binding.

DRAFT BY-LAWS (CONT'D)

- 4.5 Unless otherwise determined by the NRC, a Scheme Participant under the Scheme shall not be precluded from participating in any other share issuance scheme, share grant scheme, or share scheme which may be implemented by any other company in the Group during the Scheme Period. For the avoidance of doubt, in the event the Scheme Participant is transferred to another company within the Group which has its own share issuance scheme, share grant scheme or share scheme, such Scheme Participant is entitled to continue participating in the Scheme and exercise all unexercised Awards granted under this Scheme, in accordance with these By-Laws.
- 4.6 Notwithstanding anything to the contrary in these By-Laws and subject always to By-Laws 22 and 25, the NRC may, in its absolute discretion, but subject to compliance with the Listing Requirements, other applicable laws, the requirements of Bursa Securities and any other relevant authorities (as the case may be) waive the eligibility criteria set out in this By-Law 4. The eligibility and number of the Awards to be awarded to an Eligible Person under the Scheme shall be at the sole and absolute discretion of the NRC and the decision of the NRC shall be final and binding.

5. MAXIMUM ALLOWABLE ALLOCATION AND THE BASIS OF ALLOCATION

- 5.1 Subject to any adjustments which may be made under By-Law 18, the aggregate maximum number of YHB Shares that may be allocated to any one category/designation of Selected Person shall be determined by the NRC ("**Maximum Allowable Allocation**") provided that:
- (a) the Executive Directors (excluding non-Executive Directors) and Senior Management do not participate in the deliberation or discussion of their own allocation or person(s) connected to them;
 - (b) not more than 80% of the Maximum Shares available under the Scheme on any date shall be allocated in aggregate to the Executive Directors (excluding non-Executive Directors) and Senior Management of the Group; and
 - (c) the allocation to any individual Selected Person who, either singly or collectively through persons connected (as defined in the Listing Requirements) with the Selected Person, holds 20% or more of the total number of issued shares of the Company (excluding treasury shares), shall not exceed 10% (or such percentage as the relevant authorities may permit) of the Maximum Shares.
- 5.2 Subject to By-Law 5.1 and any adjustments which may be made under By-Law 18, the NRC shall determine the actual number of the Maximum Allowable Allocation to be allocated to a Selected Person after taking into consideration the Selected Person's position, ranking, performance, seniority, length of service, contribution and potential contribution to the continued success of the Group and any other factors deemed appropriate by the NRC.
- 5.3 The Company and/or NRC shall ensure that:
- (a) the allocation of the Maximum Allowable Allocation to the Selected Persons is verified at the end of each financial year of the Company by the Company's Audit Committee, as being in compliance with the criteria referred to in By-Law 5.2; and
 - (b) the Company will make such disclosures in its annual report for as long as the Scheme continues in operation as from time to time required by the Listing Requirements.
- 5.4 For the avoidance of doubt, the NRC shall have discretion in determining whether the Maximum Shares available for vesting under the Scheme are to be awarded to the Selected Persons via:
- (a) one single Award at a time determined by the NRC; or

DRAFT BY-LAWS (CONT'D)

- (b) several Awards where the vesting of any number of the YHB Shares comprised in those Awards are staggered or made in several tranches at such times and on such terms determined by the NRC.
- 5.5 In the event the NRC decides that the Award of vesting of any number of YHB Shares is to be staggered, the number of YHB Shares to be granted in each Award and the timing for the vesting of the same shall be decided by the NRC at its discretion and each Award shall be separate and independent from the others.

6. SCHEME PERIOD AND TERMINATION OF THE SCHEME

- 6.1 The Scheme shall take effect on such date to be determined and announced by the Board following full compliance with all relevant requirements of the Listing Requirements ("**Effective Date**") and shall continue to be in force for a period of 5 years from the Effective Date ("**Scheme Period**"):
- (a) approval-in-principle of Bursa Securities for the listing of and quotation for the new YHB Shares to be issued pursuant to the Scheme;
 - (b) approval of the shareholders of the Company;
 - (c) the submission to Bursa Securities of the final copy of these By-Laws together with a letter of compliance pursuant to paragraphs 2.12 and 6.42 of the Listing Requirements and a checklist showing compliance with Appendix 6E of the Listing Requirements;
 - (d) any other relevant regulatory authorities' approval, where applicable; and
 - (e) fulfilment or waiver (as the case may be) of all conditions attached to the above approvals (if any),

provided always that on or before the expiry thereof, the Board shall have the discretion, without having to obtain approval of the Company's shareholders, to extend the tenure of the Scheme for another 5 years or such shorter period as it deems fit immediately from the expiry of the first 5 years and such extension of the Scheme made pursuant to this By-Law shall not in aggregate exceed the duration of 10 years from the Effective Date. For the avoidance of doubt, no further sanction, approval, consent or authorisation of the shareholders of the Company in a general meeting is required for any such extension.

Unless otherwise required by the relevant authorities, no further approvals from the shareholders of the Company shall be required for the extension of the Scheme Period and the Company shall serve appropriate notices on each Scheme Participant and/or make any necessary announcements to any parties and/or Bursa Securities (if required) within 30 days prior to the expiry of the first 5 years.

- 6.2 Within 5 Market Days from the Effective Date, the Company shall through its adviser submit a confirmation to Bursa Securities of full compliance with approvals and/or conditions set out in By-Law 6.1 stating the Effective Date, together with a certified true copy of the relevant resolution passed by the shareholders of the Company in the general meeting approving the Scheme.
- 6.3 Notwithstanding anything set out in these By-Laws and subject always to compliance with Bursa Securities and any other regulatory authorities' guidelines or directives, the Company may by notice in writing to affected Scheme Participants, terminate the Scheme at any time during the Scheme Period, whereupon any Unvested Share Grant and/or Unexercised Options shall be deemed to have been cancelled and be null and void on the date specified in the notice ("**Termination Date**") provided that the NRC may in its discretion, permit the vesting of Unvested Share Grant (or any part thereof) in the Scheme Participant and/or the exercise of any Unexercised Options by the Scheme Participant at any time prior to the Termination Date subject to such terms and conditions as may be prescribed notwithstanding that:

DRAFT BY-LAWS (CONT'D)

- (a) the Vesting Date is not due or has not occurred; and/or
 - (b) the Option Period has not commenced; and/or
 - (c) other terms and conditions set out in the Offer has not been fulfilled/satisfied.
- 6.4 All Options which the NRC permits to be exercisable pursuant to By-Law 6.3, shall automatically lapse and shall become null and void to the extent unexercised by the Termination Date.
- 6.5 In the event that the Company terminates the Scheme before its expiry, the Company shall immediately announce to Bursa Securities:
 - (a) the Termination Date;
 - (b) the number of Options exercised or the Share Grant vested; and
 - (c) the reason for termination.
- 7. RETENTION PERIOD**
- 7.1 The new YHB Shares to be allotted and issued and/or transferred to the Scheme Participants pursuant to these By-Laws will not be subjected to any retention period unless the NRC stipulates otherwise in the Offer.
- 7.2 The expression “retention period” referred to in By-Law 7.1 shall mean the period in which the new YHB Shares allotted and issued and/or transferred pursuant to the Scheme must not be sold, transferred, assigned or otherwise disposed of by the Scheme Participant.
- 8. OFFER OF AWARDS UNDER THE SCHEME**
- 8.1 Pursuant to the Scheme, the NRC may, subject to compliance with all relevant regulatory authorities’ guidelines and/or directives, from time to time during the Scheme Period, make an Offer to an Eligible Person to participate in the Scheme.
- 8.2 Upon acceptance of the Offer, the Selected Person shall be referred to as a Scheme Participant for the purposes of these By-Laws.
- 8.3 Subject to By-Law 8.4, an Offer shall comprise an Award wherein a Scheme Participant is granted:
 - (a) the Share Grant vest in the Scheme Participant on the Vesting Date; and/or
 - (b) an Option to subscribe for or acquire the new YHB Shares during the Option Period,

provided that the Performance Targets, Performance Period, Service Period and such other conditions as may be stipulated by the NRC in the Offer are duly and fully satisfied.
- 8.4 Nothing herein shall prevent the NRC from making:
 - (a) an Offer to an Eligible Person which consists of only a Share Grant or an Option; or
 - (b) more than one Offer to any Selected Person provided always that the aggregate number of new YHB Shares in respect of the Awards granted (including the Share Grant granted or the Options subscribed pursuant thereto) shall not exceed the Maximum Allowable Allocation.

DRAFT BY-LAWS (CONT'D)**9. TERMS OF THE OFFER**

- 9.1 The NRC may stipulate any terms and conditions it deems appropriate in an Offer and the terms and conditions of each Offer may differ.
- 9.2 The terms and conditions set out in the Offer relating to an Award should include the following, where applicable:
- (a) Value;
 - (b) Share Grant Price;
 - (c) number of the YHB Shares which to be granted under an Award;
 - (d) Exercise Price;
 - (e) number of the new YHB Shares entitled to be subscribed for or acquired upon the exercise of the Option;
 - (f) Option Period;
 - (g) Offer Date;
 - (h) Offer Period;
 - (i) Vesting Date,

and may include such/any other conditions as may be stipulated by the NRC.

- 9.3 In the event of any error in the stating of any particulars referred to in By-Law 9.2 or otherwise in the Offer, the NRC may, to the extent permitted by law, issue a supplemental Offer stating the correct particulars referred to in By-Law 9.2.

10. SHARE GRANT PRICE AND EXERCISE PRICE

- 10.1 The Share Grant Price and the Exercise Price shall be at such price as may be determined by the NRC and shall not in any event be at a discount (as determined by the NRC) of not more than 10% of the 5-day volume weighted average market price of the YHB Shares transacted on the Bursa Securities immediately preceding the Offer Date (or such other basis as the relevant authorities may permit).

11. ACCEPTANCE OF THE OFFER

- 11.1 The Offer may only be accepted by the Selected Person during the Offer Period in such form and manner as may be prescribed by the Company and/or NRC at such consideration as may be determined by the NRC. The date of receipt by the Company of such form, completed in the manner prescribed by the Company and/or the NRC shall be the date of acceptance of the Offer by the Selected Person, provided that the Scheme is not terminated pursuant to By-Law 6.3.
- 11.2 Unless the NRC otherwise decides, in the event that the Selected Person fails to accept the Offer in the manner prescribed within the Offer Period, the Offer shall automatically lapse and shall be, then, null and void provided that the NRC shall not be precluded from making a fresh Offer to the Selected Person who has not accepted the Offer previously.

12. SATISFACTION OF CONDITIONS

- 12.1 The determination as to whether the stipulated conditions in the Offer have been fulfilled shall be made by the NRC.

DRAFT BY-LAWS (CONT'D)

- 12.2 Where the NRC has made the determination that the stipulated conditions have been fulfilled pursuant to By-Law 12.1, the NRC shall notify the Scheme Participant of:
- (a) the number of Share Grant vested or which will be vested in him/her on the Vesting Date; and/or
 - (b) the number of the YHB Shares which the Scheme Participant is entitled to subscribe for and/or acquire upon the exercise of the Option granted to him/her,
- as the case may be. Upon receipt of such notification, the Scheme Participant shall notify the Company and/or the NRC (in the form as may be prescribed by the NRC from time to time) of his/her CDS account number.
- 12.3 In the event that the conditions stipulated in an Offer in respect of any one or more Scheme Participant cannot be achieved/satisfied, the NRC may in its discretion by notice in writing to such Scheme Participants, waive any conditions stipulated in the Offer.
- 12.4 No Scheme Participant shall have any right to or interest in the Share Grant or right to exercise the Options granted to him/her unless and until the NRC has made a determination under the provisions of By-Laws 12.1 and 12.2 and on and with effect from the Vesting Date or the date during the Option Period on which the Options are duly exercised and the remittance for the full amount of the monies for the Share Grant in respect of which the Options are exercised is paid pursuant to By-Law 13.
- 12.5 In relation to the Share Grant to be vested on the Vesting Date, the NRC shall, within 8 Market Days after the receipt of the Scheme Participant's notice of his/her CDS account number or the CDS account number held for the Scheme Participant beneficially pursuant to By-Law 12.2 (or such other period as may be prescribed or allowed by Bursa Securities):
- (a) credit the relevant number of the YHB Shares into the CDS account so notified in accordance with the provisions of the Company's Constitution, the SICDA and the Rules of Bursa Depository;
 - (b) despatch a notice of transfer of such YHB Shares to the Scheme Participant (where applicable); and
 - (c) make an application for the quotation of such relevant number of the YHB Shares on Bursa Securities (where applicable).
- For this purpose, no physical share certificate will be issued to the Scheme Participant.
- 12.6 In relation to the new YHB Shares to be allotted and issued and/or transferred pursuant to an exercise of an Option, the NRC shall, within 8 Market Days after the NRC's receipt of the notice of exercise of an Option and remittance for the full amount of monies for the new YHB Share in respect of which the Option is exercised pursuant to By-Law 13.3 (or such other period as may be prescribed or allowed by Bursa Securities):
- (a) credit the relevant number of the new YHB Shares into the CDS account so notified in accordance with the provisions of the Company's Constitution, the SICDA and the Rules of Bursa Depository;
 - (b) despatch a notice of allotment and issue and/or transfer of such new YHB Shares to the Scheme Participant; and
 - (c) make an application for the quotation of such relevant number of the new YHB Shares on Bursa Securities (where applicable).

For this purpose, no physical share certificate will be issued to the Scheme Participant.

DRAFT BY-LAWS (CONT'D)**13. EXERCISE OF OPTIONS UNDER THE AWARD**

- 13.1 An Option may be exercised by a Scheme Participant within the Option Period in full or in part by notice in writing to the Company or a share plan administrator approved by the NRC in the prescribed form as may be amended from time to time during the Option Period, provided that where an Option is exercised in part, such exercise shall not be for less than 100 YHB Shares and shall be for multiples of 100 YHB Share other than in the case of the final exercise by the Scheme Participant under the Option.
- 13.2 The partial exercise of an Option shall not preclude the Scheme Participant from exercising the Option with respect to the balance of the YHB Shares comprised in the Option during the Option Period.
- 13.3 Every notice of exercise of an Option referred to in By-Law 13.1 must be in the form prescribed by the NRC as amended from time to time and accompanied by a remittance for the full amount of the monies for the YHB Shares in respect of which the Option is exercised.
- 13.4 Subject to the discretion of the NRC to waive any breach, failure by a Scheme Participant to comply with the procedure for an exercise of Option as stipulated in the provisions of By-Law 13 will invalidate the purported exercise of such Option by the Scheme Participant.
- 13.5 The minimum period which an Option must be held before it can be exercised, if any, may be determined by the NRC at its absolute discretion.

14. DISCIPLINARY PROCEEDINGS

- 14.1 In the event a Selected Person is subjected to disciplinary proceedings (whether or not such disciplinary proceedings will give rise to a dismissal or termination of service) after an Offer is made but before the acceptance thereof by such Selected Person, the Offer is deemed withdrawn and no longer capable of acceptance, unless otherwise decided by the NRC who may in so doing, impose such terms and conditions as it deems appropriate having regard to the nature of the disciplinary actions made or brought against the Selected Person. Nothing herein shall prevent the Company and/or the NRC (but the Company and/or the NRC shall not be obliged to do so) from making a fresh Offer to such Selected Person in the event that such disciplinary actions are not found against him/her or if such disciplinary actions are withdrawn provided that such Offer is made within the duration of the Scheme Period.

In the event a Scheme Participant is subjected to disciplinary proceedings (whether or not such disciplinary proceedings will give rise to a dismissal or termination of service), the right of the Scheme Participant to have vested any Unvested Share Grant and/or to exercise any Unexercised Option shall be suspended pending the outcome of the disciplinary proceedings unless otherwise decided by the NRC who may in so doing, impose such terms and conditions as it deems appropriate having regard to the nature of the disciplinary actions made or brought against the Scheme Participant. Nothing herein shall prevent the Company and/or the NRC (but the Company and/or the NRC shall not be obliged to do so) from making a fresh Offer and/or reinstating the right of the Scheme Participant to have vested any Unvested Share Grant and/or to exercise any Unexercised Option in the event that such disciplinary actions are not decided against him/her or if such disciplinary actions are withdrawn provided that such Offer and/or reinstatement is made within the duration of the Scheme Period. If the Company and/or the NRC does not reinstate such right of the Scheme Participant prior to the expiry of the Scheme Period, the Offer and acceptance thereof shall automatically lapse and shall immediately become null and void.

15. TERMINATION OF OFFERS, UNVESTED SHARE GRANT AND UNEXERCISED OPTIONS

- 15.1 Subject to By-Laws 15.2 and 15.3, any unaccepted Offers in respect of a Selected Person and/or any Unvested Share Grant and/or any Unexercised Option in respect of a Scheme Participant shall forthwith lapse and/or be deemed to be cancelled and/or cease to be capable of vesting in a Scheme Participant and/or cease to be exercisable, as the case may be, without any liability to or right to claim against the Company, the NRC and/or the Trustee upon the

DRAFT BY-LAWS (CONT'D)

occurrence of any one or more of the following events:

- (a) service of a notice to resign by the Selected Person or Scheme Participant, as the case may be;
- (b) service of a notice of termination on termination with just cause and excuse or cessation of employment of the Selected Person or Scheme Participant with the Group by reason of misconduct, as the case may be; or
- (c) bankruptcy of the Selected Person or the Scheme Participant, as the case may be.

15.2 In the event of the termination or cessation of employment of the Scheme Participant with the Group in any of the following circumstances:

- (a) retirement on attaining the retirement age under the Group's retirement policy;
- (b) retirement before attaining the normal retirement age by reason of ill-health, injury, physical or mental disability;
- (c) redundancy or voluntary separation scheme; or
- (d) any other circumstances which are acceptable to the NRC in its sole and absolute discretion,

the NRC may in its discretion permit the vesting of the Unvested Share Grant (or any part thereof) in the Scheme Participant and/or the exercise of any Unexercised Options by the Scheme Participant at any time subject to such terms and conditions as may be prescribed notwithstanding that:

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

provided that unless the NRC in its sole discretion so permits such vesting or exercise, as the case may be, by notice in writing to the Scheme Participant, any unaccepted Offers in respect of a Selected Person and/or any Unvested Share Grant and/or any Unexercised Option in respect of a Scheme Participant shall forthwith lapse and/or be deemed to be cancelled and/or cease to be capable of vesting in a Scheme Participant and/or cease to be exercisable, as the case may be, without any liability to or right to claim against the Company, the NRC and/or the Trustee.

15.3 In the event of death of the Scheme Participant, By-Law 15.2 shall apply mutatis mutandis to the Scheme Participant's legal or personal representatives as if the Scheme Participant's legal or personal representatives were the Scheme Participant.

15.4 All Options which the NRC permits to be exercisable pursuant to By-Law 15.2 shall automatically lapse and shall become null and void to the extent unexercised by the date prescribed by the NRC notwithstanding that the Option Period has not commenced or expired.

15.5 Any unaccepted Offers, Unvested Share Grant and/or Unexercised Options shall forthwith lapse and/or be deemed to be cancelled and/or cease to be capable of vesting/exercisable, as the case may be, without any claim against the Company, the NRC and/or the Trustee upon the occurrence of one or more of the following events:

- (a) winding-up or liquidation of the Company; or
- (b) termination of the Scheme pursuant to By-Law 6.3.

DRAFT BY-LAWS (CONT'D)**16. TAKEOVER AND DISPOSAL OF ASSETS**

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

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

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

In the foregoing circumstances, all Awards which the NRC permits to be vested and/or exercised, shall automatically lapse and become null and void to the extent they remain unvested and/or unexercised by the date prescribed by the NRC notwithstanding that the Award vesting date has not commenced or has not expired.

17. SCHEME OF ARRANGEMENT, AMALGAMATION AND RECONSTRUCTION

17.1 Notwithstanding By-Laws 11 and 13 and subject to the discretion of the NRC, in the event of the court sanctioning a compromise or arrangement between the Company and its members proposed for the purposes of, or in connection with, a scheme of arrangement and reconstruction of the Company or its amalgamation with any other company or companies, the NRC may at its absolute discretion decide whether a Scheme Participant may be entitled to be vested and/or to exercise all or any of his/her unvested and/or unexercised Awards at any time commencing from the date upon which the compromise or arrangement is sanctioned by the court and ending on the date upon which it becomes effective **PROVIDED ALWAYS THAT** no Awards shall be vested and Awards shall be subscribed and/or exercised after the expiry of the Award vesting date. Upon the compromise or arrangement becoming effective, all unvested and/or unexercised Awards shall automatically lapse and shall become null and void and of no further force and effect.

18. ALTERATION OF CAPITAL AND ADJUSTMENTS

18.1 Notwithstanding anything contained in these By-Laws and subject to any applicable laws and the Listing Requirements, in the event of any alteration in the capital structure of the Company during the Scheme Period, whether by way of rights issue, bonus issue or other capitalisation issues, subdivision or consolidation of YHB Shares or reduction of capital or any other variation of capital being effected, the NRC may, in its sole discretion, determine whether:

- (a) the Share Grant Price and/or the Exercise Price; and/or
- (b) the number of the Share Grants and/or Options comprised in the Offer,

DRAFT BY-LAWS (CONT'D)

- shall be adjusted and if so, the manner in which such adjustments should be made.
- 18.2 The NRC shall inform the Scheme Participants of its decision through an announcement to all Directors and employees of the Group to be made in such manner deemed appropriate by the NRC.
- 18.3 The provisions of By-Laws 18.1 and 18.2 shall not apply where a change in the capital structure of the Company arises from:
- (a) the issue of YHB Shares or other securities convertible into YHB Shares or right to acquire or subscribe for YHB Shares in consideration or part consideration for any acquisition of any other securities, assets or business by the Group;
 - (b) a special issue of new Shares or other securities 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 or restricted issue of new YHB Shares by the Company;
 - (d) a share buy-back arrangement by the Company pursuant to Section 127 of the Companies Act;
 - (e) an issue of new YHB Shares arising from the exercise of any conversion rights attached to securities convertible to the YHB Shares or upon exercise of any other rights including warrants (if any) issued by the Company;
 - (f) an issue of further offers pursuant to the ESS2015 and the allotment and issuance of new YHB Shares for the purpose of satisfying the awards under the ESS2015; and
 - (g) an issue of further Offers pursuant to the Scheme and the allotment and issuance of new YHB Shares for the purpose of satisfying the Share Grants and/or the Options.
- 18.4 Any adjustment pursuant to this By-Law 18 shall be made in accordance with the formulae as set out in the Schedule of these By-Laws on the Market Day immediately following the books closure date for the event giving rise to the adjustment.
- 18.5 (a) If an event occurs that is not set out in this By-Law, the Schedule or if the application of any of the formulae to an event results in a manifest error, the NRC, in its sole discretion, may agree to an adjustment subject to the provision of By-Law 18.1 provided that the Scheme Participants shall be notified of the adjustment through an announcement to all Directors and employees of the Group to be made in such manner deemed appropriate by the NRC.
- (b) In any circumstances where the NRC considers that the adjustments provided under the Schedule should not be made or should be calculated on a different basis or at a different date or that an adjustment should be made notwithstanding that no such adjustment is required under those provisions, the NRC may appoint an Adviser to consider whether for any reason whatsoever the adjustment should be modified or nullified or an adjustment made instead of no adjustment in such manner as may be considered by such Adviser to be appropriate in its opinion.
- (c) In any circumstances where the NRC and the Adviser are unable to agree on any adjustment required, the NRC shall refer the adjustment to the decision of another Adviser acting as expert and not as arbitrator and whose decision as to such adjustment as shall be appropriate in terms of the conditions, shall be final and conclusive.
- 18.6 In the event that a fraction of a YHB Share arises from the adjustments pursuant to this By-Law 18, the number of the YHB Shares shall automatically be rounded down to the nearest whole number.

DRAFT BY-LAWS (CONT'D)

- 18.7 The provisions of By-Law 18 shall also apply to a situation where the Offer Period has not lapsed and the Offer has not been accepted by the Selected Person or withdrawn by the NRC.
- 18.8 In the event that the Company enters into any scheme of arrangement or reconstruction pursuant to Part III (Division 7, Subdivision 2) of the Companies Act, By-Law 18.1 shall be applicable in respect of such parts of the scheme involving any alteration in the capital structure of the Company, save that By-Law 18.3 shall be applicable in respect of such parts of the Scheme which involves any alteration in the capital structure of the Company which falls within By-Law 18.3.

19. RIGHTS ATTACHED TO THE NEW YHB SHARES

- 19.1 The new YHB Shares to be allotted and issued and/or acquired pursuant to the Scheme, shall rank equally in all respects with the existing YHB Shares except that the new YHB Shares shall not be entitled to any voting rights, dividends, rights, allotments, entitlements and/or any other distributions that may be declared, made or paid to shareholders, the entitlement date which is prior to the date of allotment and issuance of the new YHB Shares.
- 19.2 The new YHB Shares to be transferred shall not be entitled to any dividend, rights, allotments and/or any other distributions which may be declared, made or paid to the shareholders of the Company, provided that the books closure date is prior to the date on which the YHB Shares are credited into the Scheme Participants' respective CDS accounts.
- 19.3 For the purposes of these By-Laws, "books closure date" shall mean the date as at the close of business on which shareholders of the Company must be entered as a member and whose names must appear in the record of depositors of the Company maintained at Bursa Depository in order to be entitled to any dividends, rights, allotments or other distributions.
- 19.4 The new YHB Shares shall be subjected to all the provisions of the Constitution of the Company in relation to their allotment and issuance, transfer, transmission, liquidation or otherwise.

20. ADMINISTRATION

- 20.1 The Scheme shall be implemented and administered by the NRC consisting such persons appointed by the Board from time to time. The NRC shall, subject to these By-Laws, implement and administer the Scheme in such manner as it shall think fit and with such powers and duties as are conferred upon it by the Board.
- 20.2 For the purpose of administering the Scheme, the NRC may do all such acts and things and enter into any transactions, agreements, deeds, documents or arrangements, and make rules, regulations or impose terms and conditions or delegate part of its power relating to the administration of the Scheme, as the NRC may in its discretion deem fit necessary and/or expedient for the implementation and administration of, and to give full effect to, the Scheme. The NRC in the exercise of its power may rectify any defect or omission, or reconcile any inconsistency in the Scheme or in any agreement providing for an Award in a manner and to the extent it shall deem necessary to expedite and make the Scheme fully effective and to determine all questions of policy and expediency that may arise in the administration of the Scheme and generally exercise such powers and perform such acts as are deemed necessary or expedient to promote the best interest of the Company.
- 20.3 The Board shall have power at any time and from time to time to:
- (a) approve, rescind and/or revoke the appointment of any member of the NRC and appoint replacement members to the NRC; and
 - (b) assume and/or exercise or execute any of the powers and authorities conferred upon the NRC pursuant to these By-Laws; and
 - (c) amend, modify or vary the Terms of Reference of the NRC.

DRAFT BY-LAWS (CONT'D)

- 20.4 Neither the Scheme nor the Awards granted under the Scheme shall impose on the Company, the NRC or any of its members any liability whatsoever in connection with:
- (a) the lapse of any Awards pursuant to any provision of the Scheme;
 - (b) the failure or refusal by the NRC to exercise, or the exercise by the NRC of, any discretion under the Scheme; and/or
 - (c) any decision or determination of the NRC made pursuant to any provision of the Scheme.

- 20.5 Any decision or determination of the NRC made pursuant to any provision of the Scheme shall be final, binding and conclusive (including, for the avoidance of doubt, any decisions pertaining to dispute as to the interpretation of the Scheme or any rule, regulation or procedure hereunder or as to any rights under the Scheme). The NRC shall not be required to furnish any reasons for any decision or determination made by it except as may be required by the relevant authorities.

21. IMPLEMENTATION OF THE SCHEME AND TRUST

- 21.1 In implementing the Scheme, the NRC may in its discretion and subject to compliance with the provisions of the Companies Act and the Listing Requirements, decide that the Awards be satisfied either by way of:
- (a) issuance of new Shares;
 - (b) transfer of the Company's treasury shares;
 - (c) acquisition of the existing YHB Shares from the Main Market of Bursa Securities;
 - (d) payment of the equivalent cash value of the Awards;
 - (e) any other methods allowed by law; or
 - (f) a combination of the above.
- 21.2 For the purposes of facilitating the implementation and administration of the Scheme and subject to compliance with the Companies Act, the Company and/or the NRC may (but shall not be obliged to) establish a Trust to be administered by the Trustee consisting of such trustee appointed by the Company from time to time for the purposes of subscribing for new YHB Shares and/or acquiring existing YHB Shares and transferring them to the Scheme Participants at such times as the NRC shall direct. To enable the Trustee to subscribe for or acquire new or existing YHB Shares for the purpose of the Scheme and to pay expenses in relation to the administration of the Trust, the Trustee will, to the extent permitted by law, be entitled from time to time to accept funding and/or assistance, financial or otherwise from the Company and/or its subsidiaries.
- 21.3 The Trustee, if and when a Trust is established, shall administer the Trust in accordance with the Trust Deed to be executed between the Trustee and the Company. For the purpose of administering the Trust, the Trustee shall do all such acts and things and enter into any transactions, agreements, deeds, documents or arrangements and make rules, regulations or impose terms and conditions or delegate part of its power relating to the administration of the Trust, as the NRC may in its discretion direct for the implementation and administration of the Trust.
- 21.4 The Company or the NRC shall have power from time to time to appoint or rescind the appointment of any Trustee as it deems fit in accordance with the provisions of the Trust Deed. The NRC shall have the power from time to time, at any time, to negotiate with the Trustee to amend the provisions of the Trust Deed.

DRAFT BY-LAWS (CONT'D)

22. QUOTATION

- 22.1 In cases where the Share Grant and/or the Options are satisfied by the issue of new YHB Shares, the new YHB Shares to be allotted will not be listed or quoted on the Main Market of Bursa Securities until an application is made to Bursa Securities for such listing of and quotation for the new YHB Shares.
- 22.2 The Company, the NRC and the Trustee shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and however relating to the delay on the part of the Company in allotting and issuing the new YHB Shares or in procuring Bursa Securities to list the new YHB Shares for which the Scheme Participant is entitled to.

23. AMENDMENT, VARIATION AND/OR MODIFICATION TO THE SCHEME

- 23.1 Subject to By-Law 23.2 and compliance with the Listing Requirements and the approvals of any other authorities (if required), the NRC may at any time and from time to time recommend to the Board any additions, amendments and/or modifications to and/or deletions of these By-Laws as it shall in its discretion think fit and the Board shall at any time and from time to time have the power by resolution to add to, amend, modify and/or delete all or any part of these By-Laws upon such recommendation.
- 23.2 The approval of the shareholders of the Company in general meeting shall not be required in respect of additions, amendment and/or modification to or deletion of these By-Laws save and except if such addition, amendment modifications and/or deletion would:
- (a) increase the number of YHB Shares beyond the Maximum Shares; or
 - (b) provide an advantage to any Scheme Participant or group of Scheme Participants or all the Scheme Participants unless otherwise permitted under the provisions of the Listing Requirements.
- 23.3 For the purpose of complying with the provisions of the Listing Requirements, the provisions of the By-Laws by virtue of Appendix 6E of the Listing Requirements shall not be amended or altered in any way whatsoever to the advantage of the Eligible Persons or Scheme Participants without the prior approval of shareholders in general meeting.

24. NON-TRANSFERABILITY

- 24.1 The rights of a Scheme Participant to the vesting of Share Grant and where applicable to the Options shall be personal to him/her and cannot be assigned, transferred, charged, pledged or otherwise disposed of in any manner whatsoever unless By-Laws 15.3, 16.1 and 17.1 (where applicable) apply. Any attempt to transfer, assign, dispose or encumber shall result in the automatic cancellation of the Share Grants and/or the Options, as the case may be.

25. DISPUTES

- 25.1 In the event of any dispute between the NRC and/or the Trustee with an Eligible Person, Selected Person or Scheme Participant, as to any matter or thing of any nature arising hereunder, such dispute or difference shall be referred to the NRC whose written decision given to the Eligible Person, Selected Person or Scheme Participant shall be final and binding on all parties in all respects.

26. THE SCHEME IS NOT A TERM OF EMPLOYMENT

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

DRAFT BY-LAWS (CONT'D)**27. NO COMPENSATION FOR TERMINATION**

- 27.1 No Eligible Person, Selected Person or Scheme Participant who ceases to hold office in or employment with the Group shall be entitled to any compensation for the loss of any right or benefit or prospective right or benefit under the Scheme.
- 27.2 Notwithstanding any provisions of these By-Laws:
- (a) the Scheme shall not confer on any person any legal or equitable right or other rights under any other law (other than those constituting the Award) against the Company or any company within the Group, directly or indirectly, or give rise to any course of action in law or in equity or under any other law against any company within the Group;
 - (b) no Scheme Participants or his/her legal representative, as the case may be, shall bring any claim, action or proceeding against any company of the Group, the NRC or any other party for compensation, loss or damages whatsoever and howsoever arising from the suspension or cancellation of his/her rights to his/her Awards or his/her Awards ceasing to be valid pursuant to the provisions of these By-Laws; and
 - (c) the Company, the Board (including Directors that had resigned but were on the Board during the Scheme Period), the NRC and/or the Trustee shall in no event be liable to the Scheme Participants or his/her legal representative, as the case may be, or any other person or entity for any third party claim, loss of profits, loss of opportunity, loss of savings or any punitive, incidental or consequential damage, including without limitation lost profits or savings, directly or indirectly arising from the breach or non-performance of these By-Laws or any loss suffered by reason of any change in the price of the YHB Shares or from any other cause whatsoever whether known or unknown, contingent, absolute or otherwise, whether based in contract, tort, equity, indemnity, breach of warranty or otherwise and whether pursuant to common law, statute, equity or otherwise, even if any company of the Group, the Board or the NRC has been advised of the possibility of such damage.

28. DIVESTMENT OF SUBSIDIARIES

- 28.1 If a Scheme Participant who held office or was in the employment with a corporation of the Group which has ceased to be a Subsidiary as a result of a restructuring, divestment exercise (other than a takeover or reconstruction as provided under these By-Laws), the NRC may in its discretion permit the vesting of Unvested Share Grant (or any part thereof) in the Scheme Participant and/or the exercise of any Unexercised Options (or any part thereof) by the Scheme Participant at any time subject to such terms and conditions as may be prescribed notwithstanding that:
- (a) the Vesting Date is not due or has not occurred;
 - (b) the Option Period has not commenced; and/or
 - (c) other terms and conditions set out in the Offer have not been fulfilled/satisfied.

A Scheme Participant who held office or was in the employment with a corporation of the Group which has ceased to be a Subsidiary as a result of a restructuring or divestment exercise shall not be eligible for any further Award under the Scheme after such restructuring or divestment exercise.

- 28.2 All Options which may be allowed by the NRC to be exercisable under By-Law 28.1(b), to the extent unexercised by the date prescribed by the NRC, shall automatically lapse and shall become null and void.

DRAFT BY-LAWS (CONT'D)

29. TRANSFER TO OTHER CORPORATIONS

29.1 Notwithstanding By-Law 15.1, in the event a Scheme Participant who was employed in a corporation within the Group and is subsequently transferred from such corporation to a subsidiary of YHB which is not a Subsidiary within the meaning of these By-Laws or to a corporation related to YHB, the Scheme Participant shall be entitled, at the discretion of the NRC, to:

- (a) continue to have a right in any Unvested Share Grant; and
- (b) exercise any Unexercised Options,

upon the same terms and conditions as may be set out in the Offer as if the Scheme Participant is still in employment with the Group for the purposes of the Service Period.

30. TRANSFER FROM OTHER COMPANIES TO THE GROUP

30.1 In the event that:

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

(the first mentioned company in (a) and (b) above are hereinafter referred to as the “**Previous Company**”), such Executive Director (excluding non-Executive Directors) or an employee of the Previous Company (“**the Affected Director/ Employee**”), subject to By-Law 6, will be eligible to participate in the Scheme only for the remaining duration of the Scheme, if the Affected Director/ Employee becomes an “Eligible Person” within the meaning under these By-Laws, subject always to the NRC’s discretion.

30.2 For the avoidance of doubt, in the event of any acquisition or incorporation of any company into the Group pursuant to By-Law 30.1(b) above as a subsidiary pursuant to Section 4 of the Companies Act, the Scheme shall apply to the Executive Directors (excluding non-Executive Directors) and employees of such company on the date such company becomes a subsidiary of the Group (provided that such subsidiary is not dormant) falling within the meaning of the expression of “Eligible Person” under these By-Laws.

31. INSPECTION OF THE AUDITED FINANCIAL STATEMENTS

31.1 All Scheme Participants shall be entitled to inspect a copy of the latest audited financial statements of the Company, which shall be made available at the Company’s website and/or Bursa Securities’ website.

32. COSTS, EXPENSES AND TAXES

32.1 The Company shall bear all fees, costs and expenses incurred in relation to the Scheme including but not limited to the costs and expenses relating to the allotment and issue and/or transfer of the YHB Shares pursuant to an Award and upon the exercise of any Option.

32.2 However, each Scheme Participant shall be solely responsible for the brokerage commissions and stamp duty for holding or dealing of the YHB Shares and any taxes (including income tax) which may be levied on him/her arising out of or as a result of such issuance and allotment or transfer of YHB Shares referred to in By-Law 32.1.

DRAFT BY-LAWS (CONT'D)

- 32.3 The Company shall have absolute discretion on, where it deems appropriate, to require the Scheme Participants to pay to the Company or make arrangements satisfactory to the Board regarding the payment of, any taxes required by law to be withheld by the Company with respect to the Share Grant or the Options. The Company has the absolute right to terminate all Unvested Share Grant and/or Unexercised Options granted to any Scheme Participant in the event the Scheme Participant fails to comply with the Company's request for payment.

33. CONSTITUTION

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

34. ERRORS AND OMISSIONS

- 34.1 If in consequence of an error or omission, the NRC discovers or determines that:

- (a) an Eligible Person who was selected by the NRC as a Selected Person, has not been given the opportunity to participate in the Scheme on any occasion;
- (b) an Eligible Person was erroneously selected as a Scheme Participant; or
- (c) the number of YHB Shares allotted and issued and/or transferred to any Scheme Participant (including those allotted and issued and/or transferred pursuant to an exercise of Options) on any occasion is found to be incorrect,

and such error or omission cannot be corrected within the relevant period specified in the Scheme, the NRC and/or the Trustee may do all such acts and things to rectify such error or omission including, but not limited to, all acts and things to ensure that the Eligible Person is given the opportunity to participate in the Scheme and/or to withdraw the Awards given to the Eligible Person who was erroneously selected as Scheme Participant and/or the aggregate number of YHB Shares to which the Scheme Participant is correctly entitled to is credited into his/her CDS account and/or payment in cash to the Scheme Participant in the case of settlement by way of cash (whichever is applicable as determined by the NRC).

35. NOTICE

- 35.1 Any notice under the Scheme required to be given to or served upon the NRC and/or the Trustee by an Eligible Person, Selected Person or a Scheme Participant or any correspondence to be made between an Eligible Person, Selected Person or Scheme Participant to the NRC and/or the Trustee shall be given or made in writing and sent to the Registered Office or such other office which the NRC and/or the Trustee may have stipulated for a particular purpose by hand (with acknowledgement of receipt) or registered letter.
- 35.2 Unless otherwise provided in these By-Laws, any notice which under the Scheme is required to be given to or served upon an Eligible Person, Selected Person or Scheme Participant or any correspondence to be made with an Eligible Person or Scheme Participant shall be deemed to be sufficiently given, served or made if it is given, served or made by hand, electronic mail, facsimile or registered letter addressed to the Eligible Person, Selected Person or Scheme Participant at the place of employment or at the electronic mail address of the Eligible Person or at the last facsimile number or address known to the Company as being his/her facsimile number or address. Any notice served by hand, electronic mail, facsimile or post as aforesaid shall be deemed to have been received at the time when such notice if by hand is received and duly acknowledged, if by electronic mail is when an automatic "read receipt" acknowledging the receipt of electronic mail is sent from the electronic mail address of the recipient to the electronic mail account of the sender or if by facsimile is transmitted with a confirmed log print-out for the transmission indicating the date, time and transmission of all pages and if by registered letter would in the ordinary course of post be delivered.

DRAFT BY-LAWS (CONT'D)

- 35.3 Notwithstanding By-Law 35.2, where any notice is required to be given by the Company or the NRC under these By-Laws in relation to matters which may affect all the Eligible Persons, Selected Person or Scheme Participants, as the case may be, the Company or NRC may give notice through an announcement to all employees of the Group to be made in such manner deemed appropriate by the NRC. Upon the making of such an announcement, the notice to be made under By-Law 35.2 shall be deemed to be sufficiently given, served or made to all affected Eligible Persons, Selected Person or Scheme Participants, as the case may be.

36. SEVERABILITY

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

37. DISCLAIMER OF LIABILITY

- 37.1 Notwithstanding any provisions contained herein and subject to the Companies Act, the NRC and the Company shall not under any circumstances be liable for any cost, loss, expense and/or damage whatsoever incurred, arising and/or suffered by any Scheme Participant whether by reason of the Company, the NRC or the Trustee's delay in allotting and issuing new YHB Shares and/or applying for or procuring the listing of and quotation for the new YHB Shares on Bursa Securities and/or transferring the YHB Shares in accordance with these By-Laws for any reason whatsoever.

38. DECISION OF THE NRC

- 38.1 Any decision and/or determination made by the NRC under these By-Laws shall, in the absence of any manifest of error, be final and binding.

39. GOVERNING LAW

- 39.1 The Scheme shall be governed by and construed in accordance with the laws of Malaysia. The Scheme Participant, by accepting the Offer in accordance with these By-Laws and terms of the Scheme and the Constitution of the Company, irrevocably submit to the exclusive jurisdiction of the courts in Malaysia.

40. MULTIPLE JURISDICTIONS

- 40.1 In order to facilitate the making of any Awards under the Scheme, the Board and/or the NRC may provide for such special terms to apply to any Scheme who are employed by the Group in any particular jurisdiction, or who are nationals or any particular jurisdiction that is outside Malaysia, as the Board and/or the NRC may consider necessary and/or appropriate to accommodate the differences in local law, tax policy or custom. Moreover, the Board and/or the NRC may approve such supplements to or amendments, restatement or alternative versions of this Scheme as it may consider necessary and/or appropriate for such purposes, without thereby affecting the terms of this Scheme as is in effect for any other purpose. No such special terms, supplements, amendments or restatement, however, shall include any provision that is inconsistent with the terms of this Scheme as then in effect unless this Scheme could have been amended to eliminate such inconsistency.
- 40.2 Any Scheme Participant to whom the Award is offered, is required to ensure that he/she complies with all applicable laws and regulations in each country or jurisdiction in or from which he/she accepts the Award. By his/her acceptance of the Award, each Scheme Participant represents, warrants and agrees that he/she has and will continue to observe all applicable laws and regulations in the jurisdiction in which he/she accepts the Award.

DRAFT BY-LAWS (CONT'D)

- 40.3 In the event that any foreign laws, regulatory requirements and/or administrative constraints prevent or restrict the ability of the Company to allow the Eligible Persons in their foreign subsidiaries to participate in the Scheme, as alternative, a cash settled performance-based scheme may be made available to them.

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THE SCHEDULE

In addition to By-Law 18.1 and not in derogation thereof, the Exercise Price and the number of the Shares relating to the Options so far unvested and/or unexercised and/or relating to an Award in so far as unvested shall from time to time be adjusted by the NRC in accordance with the following relevant provisions in consultation with an Adviser and/or an Auditor:

(a) Consolidation, Subdivision or Conversion

If and whenever a YHB Share, by reason of any consolidation or subdivision or conversion occurs, then the Share Grant Price and/or the Exercise Price shall be adjusted and the additional number of YHB Shares comprised in the Offer shall be calculated in accordance with the following formula:

$$\begin{aligned}
 \text{(i)} \quad \text{New Share Grant Price/ New Exercise Price} &= \frac{S \times L}{M} \\
 \text{(ii)} \quad \text{Additional number of the YHB Shares} &= \frac{T \times M}{L} - T
 \end{aligned}$$

where

- L = The aggregate number of YHB Shares in issue immediately prior to the consolidation or subdivision or conversion;
- M = the aggregate number of YHB Shares in issue immediately after such consolidation or subdivision or conversion;
- S = existing Share Grant Price and/or Exercise Price; and
- T = existing number of YHB Shares comprised in the Offer.

Each such adjustment will be effective from the close of business on the Market Day immediately preceding the date on which the consolidation or subdivision or conversion becomes effective, or such period as may be prescribed by Bursa Securities.

(b) Capitalisation of Profits or Reserves

If and whenever the Company shall make any issue of YHB Shares to its ordinary shareholders of the Company credited as fully paid, by way of bonus issue or capitalisation of profits or reserves (whether of a capital or income nature other than an issue of YHB Shares to the shareholders who elect to receive shares in lieu of cash or other dividend), the Share Grant Price and/or the Exercise Price shall be adjusted by multiplying it by the following fraction:

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

and the additional number of YHB Shares comprised in the Offer shall be calculated as follows:

DRAFT BY-LAWS (CONT'D)

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

where

A = the aggregate number of issued and fully paid-up YHB Shares immediately before such bonus issue or capitalisation issue;

B = the aggregate number of YHB Shares to be issued pursuant to any allotment to ordinary shareholders of the Company credited as fully paid by way of capitalisation of profits or reserves other than an issue of YHB Shares to the shareholders who elect to receive shares in lieu of cash or other dividend; and

T = as T above.

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

(c) If and whenever the Company shall make:

(i) Capital Distribution

a Capital Distribution (as defined below) to its ordinary shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets or involving any purchase by the Company of its own YHB Shares in accordance with the Companies Act and all applicable laws and guidelines or directives issued by the relevant regulatory authorities);

(ii) Rights Issue of Shares

any offer or invitation to its ordinary shareholders whereunder they may acquire or subscribe for YHB Shares by way of rights; or

(iii) Rights Issue of Convertible Securities

any offer or invitation to its ordinary shareholders by way of rights whereunder they may acquire or subscribe for securities convertible into YHB Shares or securities with rights to acquire or subscribe for YHB Shares,

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

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

and in respect of the case referred to in Clause (c)(ii) and (c)(iii) hereof, the additional number of YHB Shares comprised in the Offer shall be calculated as follows:

$$\text{Additional number of YHB Shares} = T \times \frac{C}{C-D^*} - T$$

where

C = the Current Market Price (as defined in Clause 4(h) below) of each YHB 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 if at the time of such announcement the issue price for the rights has not been fixed, on the date immediately preceding the date of the Capital Distribution or, as the case may be, of the

DRAFT BY-LAWS (CONT'D)

offer or invitation (where appropriate), any relevant date as may be determined by the Company in consultation with the Adviser or the Auditor;

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

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

T = as T above.

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

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

where:

C = as C above;

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

F = the number of YHB Shares necessary for a shareholder of the Company to hold in order to be offered or invited to acquire or subscribe for 1 additional YHB Share or security convertible into rights to acquire or subscribe for 1 additional YHB Share; and

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

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

where

C = as C above;

E* = the subscription price for 1 additional YHB Share under the terms of such offer or invitation to acquire or subscribe for YHB Shares; and

F* = the number of YHB Shares necessary for a shareholder of the Company to hold in order to be offered or invited to acquire or subscribe for 1 additional YHB Share.

DRAFT BY-LAWS (CONT'D)

For the purpose of Clause (c) hereof, "Capital Distribution" shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of YHB Shares (not falling under Clause (b) hereof) or other securities credited as fully or partly paid-up by way of capitalisation of profits or reserves other than an issue of YHB Shares to the shareholders who elect to receive YHB Shares in lieu of cash or other dividend.

Any dividend or distribution charged or provided for in the accounts of any period shall (whenever paid and howsoever described) be deemed to be a Capital Distribution unless it is paid out of the aggregate of the net profits attributable to the ordinary shareholders of the Company as shown in the audited consolidated profit and loss accounts of the Company or for an interim dividend paid out of the aggregate net profits after the last audited financial statements retained earnings of the Company as shown in the last audited statement of comprehensive income of the Company.

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

(d) Capitalisation of Profits / Reserves

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

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

and where the Company makes an allotment to its ordinary shareholders as provided in Clause (b) above and also makes an offer or invitation to its ordinary shareholders as provided in Clause (c)(ii) above and the record date for the purpose of the allotment is also the books closure date for the purpose of the offer or invitation, the additional number of the YHB Shares comprised in the Offer shall be calculated as follows:

Additional number of YHB Shares comprised in Options

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

Additional number of the Share Grant to be vested

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

where

B = as B above;

C = as C above;

G = the aggregate number of issued and fully paid-up YHB Shares on the books closure date;

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

DRAFT BY-LAWS (CONT'D)

H*	=	the aggregate number of new YHB Shares under an offer or invitation to acquire or subscribe for YHB Shares by way of rights;
I	=	the subscription price of 1 additional YHB Share under the offer or invitation to acquire or subscribe for YHB Shares or the exercise price on conversion of such securities or exercise of such rights to acquire or subscribe for 1 additional YHB Share, as the case may be;
I*	=	the subscription price of 1 additional YHB Share under the offer or invitation to acquire or subscribe for YHB Shares; and
T	=	as T above.

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

(e) Rights Issue of Shares and Convertible Securities

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

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

and the additional number of YHB Shares comprised in the Offer shall be calculated as follows:

Additional number of YHB Shares comprised in Options

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

Additional number of Share Grant to be vested

$$= T \times \frac{(G + H^* + J) \times C}{(G \times C) + (H^* \times I^*) + (J \times K)} - T$$

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 YHB Shares to be issued to its ordinary shareholders of the Company upon conversion of such securities or exercise of such rights to subscribe for YHB Shares by the ordinary shareholders of the Company;

DRAFT BY-LAWS (CONT'D)

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

T = as T above.

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

(f) **Capitalisation of Profits / Reserves and Rights Issue of Shares or Convertible Securities**

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

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

and the additional number of the Share Grant comprised in the Offer shall be calculated as follows:

Additional number of YHB Shares comprised in the Options

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

Additional number of Share Grant to be vested

$$= T \times \frac{(G + H^* + J + B) \times C}{(G \times C) + (H^* \times I^*) + (J \times K)} - T$$

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 following the books closure date for the above transactions.

DRAFT BY-LAWS (CONT'D)

(g) **Others**

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

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

where

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

For the purpose of Clause (g), the "Total Effective Consideration" shall be determined by the Board with the concurrence of an Auditor and/or Adviser of the Company and shall be:

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

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

DRAFT BY-LAWS (CONT'D)

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

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

- (h) For the purpose of Clauses (c), (d), (e) and (f), the “Current Market Price” in relation to 1 YHB Share for any relevant day shall be the volume weighted average market price for the 5 consecutive Market Days before such date.

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FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. CONSENT AND CONFLICT OF INTEREST**AmlInvestment Bank**

AmlInvestment Bank, being the Principal Adviser for the Proposals, has given and has not subsequently withdrawn its written consent for the inclusion in this Circular of their names, reports and/or letters (where applicable) and all references thereto in the form and context in which they appear in this Circular.

AmlInvestment Bank, its related and associated companies, as well as its holding company, AMMB Holdings Berhad and the subsidiaries and associated companies of its holding company ("**AmBank Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and funds management and credit transaction service businesses.

In the ordinary course of their businesses, any member of AmBank Group may at any time extend services to any company as well as hold long or short positions, and trade or otherwise effect transactions, for its own account or the account of its other clients, in debt or equity securities or senior loans of any company. Accordingly, there may be situations where parts of the AmBank Group and/or its clients now have or in the future, may have interests or take actions that may conflict with the interests of YHB Group.

The AmBank Group has extended credit facilities to YHB Group, the amount outstanding as at LPD amounted to approximately RM1,289.14 million.

AmlInvestment Bank is of the view that its role as the Principal Adviser for the Proposals is not likely to result in a conflict of interest or potential conflict of interest situation for the following reasons:

- (i) AmlInvestment Bank's role in the Proposals is undertaken in the ordinary course of business; and
- (ii) AmlInvestment Bank undertakes each of its roles on an arm's length basis and its conduct is regulated by Bank Negara Malaysia and the Securities Commission Malaysia and governed under, inter alia, the Financial Services Act 2013, the Capital Markets and Services Act 2007, and AmBank Group's Chinese Wall policy and internal controls and checks.

Premised on the above, AmlInvestment Bank confirms that there is no conflict of interest which exists or is likely to exist in its capacity as the Principal Adviser in respect of the Proposals.

FURTHER INFORMATION (CONT'D)

3. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

Save as disclosed below, as at the LPD, YHB Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of YHB Group, and the Board is not aware of any proceedings, pending or threatened, against YHB Group or of any facts likely to give rise to any proceedings, which may materially or adversely affect the financial position or business of YHB Group:

A petition by Rising Sun Energy (K) Private Limited ("RSEK"), a subsidiary of YHB Group held via YR Nokh Pte Ltd, against NTPC Limited ("NTPC") and Chhattisgarh State Power Distribution Company Limited ("Chhattisgarh")

RSEK entered into a power purchase agreement dated 30 March 2021 ("the **PPA**") with NTPC whereby RSEK was commissioned to develop a solar power generating system for the supply of power to Chhattisgarh. Due to various changes in law resulting in increase in the rate of goods and services tax and imposition of basic customs duty for which RSEK under the PPA is entitled to compensation, RSEK filed a petition dated 14 July 2022 to Central Electricity Regulatory Commission ("**CERC**") at New Delhi, India, the mandated body to decide on such matter, seeking for an order for compensation amounting to Indian Rupee 3,557,805,223 (approximately RM187.0 million).

The first hearing before the CERC was heard on 15 December 2022 and NTPC and Chhattisgarh submitted their responses to CERC including details of the claim on 21 March 2023. A further hearing is scheduled on 25 May 2023.

The Company has been advised by its legal counsel in India that RSEK has a strong case on merits to obtain a favourable order.

4. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES**4.1 Material commitments**

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

Capital commitments as at 30 April 2023

	<u>RM'000</u>
Capital expenditure	
Approved and contracted for:	
- property, plant and equipment	111,925
- investments	8,784
	<u>120,709</u>

4.2 Contingent liabilities

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

FURTHER INFORMATION (CONT'D)

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of YHB at Level 16, Menara South Point, Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur during normal business hours from Monday to Friday (except public holidays) following the date of this Circular, up to and including the date of the 30TH AGM:

- (i) the Constitution;
- (ii) the audited consolidated financial statements of YHB for the past two FYE 31 January 2022 and FYE 31 January 2023;
- (iii) the letter of consent and declaration of conflict of interests referred to in Section 2 of Appendix II of Part C of this Circular;
- (iv) the cause paper in respect of the material litigation referred to in Section 3 of Appendix II of Part C of this Circular; and
- (v) the draft By-Laws.

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EXTRACT OF THE NOTICE OF THE 30TH AGM

YINSON HOLDINGS BERHAD
 Registration No. 199301004410 (259147-A)
 (Incorporated in Malaysia)

AS SPECIAL BUSINESS

To consider, and if thought fit, to pass the following resolutions, with or without modification:

ORDINARY RESOLUTION 22

PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE SCHEME ("ESS2023") OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT IN TIME DURING THE DURATION OF THE ESS2023 FOR ELIGIBLE EXECUTIVE DIRECTORS AND EMPLOYEES OF YHB AND ITS SUBSIDIARIES (EXCLUDING DORMANT SUBSIDIARIES) ("PROPOSED ESS2023")

"THAT subject to the approvals from all relevant regulatory authorities and parties being obtained for the Proposed ESS2023, and to the extent permitted by law and the Constitution of the Company, approval and authority be and is hereby given to the Board of Directors of the Company ("**Board**") to undertake the following:

- (i) to establish, implement and administer the Proposed ESS2023 for the benefit of the eligible Executive Directors and employees of the Company and its subsidiaries (excluding subsidiaries which are dormant) ("**YHB Group**") who meet certain specified criteria of eligibility for participation in the Proposed ESS2023 and to implement and administer the same in accordance with the by-laws of the Proposed ESS2023 ("**By-Laws**") which is set out in Appendix I of Part C of the circular to shareholders of YHB dated 31 May 2023 ("**Circular**");
- (ii) to issue and allot and/or procure the transfer of such number of new and/or existing ordinary shares in YHB ("**YHB Shares**" or "**Shares**") (as adjusted or modified from time to time pursuant to the By-Laws) from time to time as may be required for the purpose of or in connection with the Proposed ESS2023, provided that the total number of the YHB Shares be allotted and issued pursuant to granting of the Shares ("**Share Grant**") and/or options to subscribe for and/or acquire the Shares ("**Options**") (collectively, the "**Awards**") as well as YHB Shares to be issued and allotted pursuant to the awards under the Employees' Share Scheme of YHB which took effect on 3 November 2015 and is expiring on 2 November 2025 ("**ESS2015**") following the implementation of the Proposed ESS2023 shall not exceed 10% in aggregate of the total number of issued YHB Shares of the Company (excluding treasury shares) at any point in time throughout the duration of the Proposed ESS2023 and such new YHB Shares shall, upon allotment and issuance, carry the same rights as the existing YHB Shares, save and except that the new YHB Shares would not be entitled to dividend, rights, allotments and/or other forms of distribution which may be declared, made or paid to shareholders of the Company, the entitlement date of which is prior to the date of allotment of the new YHB Shares to be issued pursuant to the exercise of the Options or vesting of Share Grant;
- (iii) to add, amend, modify and/or delete all or any part of the terms and conditions as set out in the By-Laws from time to time provided that such addition, amendment, modification and/ or deletion are effected in accordance with the provisions of the By-Laws, and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Proposed ESS2023; and
- (iv) to approve and adopt the By-Laws which is in compliance with the Main Market Listing Requirements of Bursa Securities ("**Listing Requirements**"), a draft of which is set out in Appendix I of Part C of the Circular;

EXTRACT OF THE NOTICE OF THE 30TH AGM (CONT'D)

THAT pursuant to Section 85(1) of the Companies Act 2016 which must be read together with Clause 13(G) of the Constitution of the Company, approval be hereby given to waive the pre-emptive rights of the existing shareholders of the Company to be offered any new YHB Shares ranking equally to the existing issued YHB Shares or other convertible securities arising from any allotment and issuance of new YHB Shares to the eligible persons pursuant to the Proposed ESS2023.

AND THAT the Board be and is hereby authorised to give effect to the Proposed ESS2023 with full power to assent to any conditions, modifications, variations and/or amendments in any manner as may be deemed necessary or expedient by the Board or required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things as they may consider necessary and/or expedient to implement, finalise and give full effect to the Proposed ESS2023.”

ORDINARY RESOLUTIONS 23 TO 26**PROPOSED ALLOCATION TO THE FOLLOWING ELIGIBLE PERSONS WHO ARE EXECUTIVE DIRECTOR OF YHB AND/OR PERSONS CONNECTED WITH THEM UNDER THE PROPOSED ESS2023**

“**THAT** subject to the passing of Ordinary Resolution 22, approval be and is hereby given to the Board at any time and from time to time during the duration of the Proposed ESS2023, to offer and grant to each of the Executive Directors and persons connected with them as named therein below respectively, such number of YHB Shares in the Company which will be vested in him/her at a specified future date and to allot and issue and/or deliver such number of options, YHB Shares and/or the equivalent cash value or combinations thereof comprised in the Proposed ESS2023 granted and/or awarded to him/her from time to time, provided always that not more than 10% (or such percentage as allowable by the relevant authorities) of the YHB Shares available under the Proposed ESS2023 as well as YHB Shares to be issued and allotted pursuant to the awards under the ESS2015 following the implementation of the Proposed ESS2023 shall be allocated to any eligible Executive Director or executive officers who, either singly or collectively through persons connected with the eligible Executive Director or executive officers, holds 20% or more of the total number of issued Shares (excluding treasury shares), subject always to such terms and conditions and/or any adjustment which may be made in accordance with the By-Laws.

(i)	Mr Lim Han Weng Group Executive Chairman / Non-Independent Executive Director	Ordinary Resolution 23
(ii)	Mr Lim Chern Yuan Group Chief Executive Officer / Non-Independent Executive Director	Ordinary Resolution 24
(iii)	Madam Bah Kim Lian Non-Independent Executive Director	Ordinary Resolution 25
(iv)	Mr Lim Chern Wooi Chief Executive Officer, Regulus Offshore”	Ordinary Resolution 26