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

Bursa Malaysia Securities Berhad ("**Bursa Securities**") has perused this Circular on a limited review basis prior to the issuance of this Circular pursuant to Paragraph 4.1(b) of Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

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SCANWOLF CORPORATION BERHAD

(Registration No. 200601021156 [740909-T])

(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

- (I) **PROPOSED TERMINATION OF SCANWOLF CORPORATION BERHAD'S ("SCANWOLF" OR THE "COMPANY") EXISTING EMPLOYEES' SHARE ISSUANCE SCHEME ("PROPOSED TERMINATION OF EXISTING SIS"); AND**
- (II) **PROPOSED ESTABLISHMENT OF A NEW EMPLOYEES' SHARE SCHEME FOR THE ELIGIBLE DIRECTORS AND EXECUTIVE / EMPLOYEES OF THE COMPANY AND ITS SUBSIDIARIES (WHICH ARE NOT DORMANT) ("PROPOSED ESS")**

(COLLECTIVELY, REFERRED AS THE "PROPOSALS")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



AmInvestment Bank

AmInvestment Bank Berhad

Registration No. 197501002220 (23742-V)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of the Extraordinary General Meeting ("**EGM**") of the Company which is scheduled to be held at Agate Room (Level G), Avante Hotel, No. 1, Persiaran Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor, Malaysia on Tuesday, 27 February 2024 at 10.30 a.m. or any adjournment thereof, for the purpose of considering the Proposed ESS, together with the Form of Proxy are enclosed in this Circular.

A member entitled to attend, participate, speak and vote at the EGM is entitled to appoint a proxy or proxies to attend, participate, speak and vote on his/her behalf. In such event, the completed and signed Form of Proxy must be deposited at the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur or by electronic lodgment via TIH Online website at <https://tiih.online> not less than 48 hours before the time and date fixed for holding the EGM or at any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending, participating, speaking and voting in person at the EGM should you subsequently wish to do so.

Last day, date and time for lodging the Form of Proxy : Sunday, 25 February 2024 at 10.30 a.m.

Day, date and time of the EGM : Tuesday, 27 February 2024 at 10.30 a.m.

This Circular is dated 8 February 2024

DEFINITIONS

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

Act	: Companies Act 2016, as amended from time to time and any re-enactment thereof
AmlInvestment Bank	: AmlInvestment Bank Berhad (Registration No. 197501002220 (23742-V))
Board	: Board of Directors of Scanwolf
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 ESS and shall include any amendments or variations made thereto from time to time, the draft of which is set out in Appendix I of this Circular
Circular	: This circular to shareholders of the Company dated 8 February 2024 in relation to the Proposals
Constitution	: The constitution of the Company
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 Act and Section 2(1) of the Capital Markets and Services Act, 2007 and includes any person who is or was a director within the preceding 6 months of the date of the Proposals
EGM	: Extraordinary general meeting
Eligible Person(s)	: Eligible Executive Director(s) and employees of Scanwolf Group (excluding dormant subsidiaries) who fulfill the conditions of eligibility as stipulated in the By-Laws
EPS	: Earnings per Share
ESGP Award(s)	: The grant of an award of such number of Scanwolf Shares to the Eligible Person without any cash consideration payable by the Eligible Persons
ESGP Grantee(s)	The Eligible Persons who have accepted the ESGP Awards
ESOS	: Employees' share option scheme
ESOS Exercise Price	: The price at which the ESOS Grantee(s) shall be entitled to subscribe for the Scanwolf Shares by exercising his/her ESOS Options in accordance with the terms of the By-Laws
ESOS Options	: The right of an ESOS Participant to subscribe for new and/or existing Scanwolf Shares at a pre-determined price under the ESOS pursuant to the contract constituted by the selected Eligible Person's acceptance of an ESOS Options in the manner as indicated in the By-Laws

DEFINITIONS (CONT'D)

ESOS Grantee(s)	: The Eligible Person(s) who has accepted a grant of ESOS Options in accordance with the terms of the By-laws
ESS or Scheme	: Employees' share scheme
ESS Award Date	: The date the ESS Awards is made in writing by the ESS Committee
ESS Award(s)	: An award made in writing by the ESS Committee to an Eligible Person from time to time within the duration of the Scheme to participate in the Proposed ESOS and/or Proposed ESGP in the manner stipulated in the By-Laws
ESS Awards Date	: The date the ESS Awards is made in writing by the ESS Committee
ESS Committee	: The committee appointed by the Board comprising such Director(s) and/or senior management of the Group to be approved by the Board to implement and administer the ESS in accordance with the By-Laws
ESS Period	: A duration of 5 years commencing from the effective date of the implementation of the Scheme and may be extended for a period of up to another 5 years, provided that the tenure of the Proposed ESS shall not, in aggregate, exceed a duration of 10 years from the effective date of the implementation of the Scheme or such longer period as may be permitted by Bursa Securities or any other relevant authorities
Executive Director	: A natural person who is a Director for the time being, in an executive capacity and is involved in the day-to-day management of the Company
Existing SIS	: The existing employees' share issuance scheme of Scanwolf which was implemented on 5 November 2021 for a period of 5 years
Existing SIS By-Laws	: The By-Laws governing the Existing SIS
Existing SIS Options	: Share options under the Existing SIS
FYE	: Financial year ended/ending, as the case may be
Grantee(s)	: The Eligible Person who has accepted a grant of ESOS Options/ESGP Awards in accordance with the terms of the By-Laws
Listing Requirements	: Main Market Listing Requirements of Bursa Securities, as may be amended from time to time
LPD	: 2 February 2024, being the latest practicable date prior to the printing of this Circular
NA	: Net assets
Proposals	: Collectively, the Proposed Termination of Existing SIS and Proposed ESS
Proposed ESGP	: The employees' share grant plan, a component of the Proposed ESS
Proposed ESOS	: The employees' share option scheme, a component of the Proposed ESS

DEFINITIONS (CONT'D)

Proposed ESS	:	Proposed establishment and implementation of an ESS, comprising the Proposed ESOS and Proposed ESGP, of up to 15% of the total number of issued Scanwolf Shares (excluding treasury shares, if any) at any point in time over the duration of the ESS for the Eligible Persons
Proposed Termination of Existing SIS	:	Proposed termination of the Existing SIS in accordance with the Existing SIS By-Laws
RM and sen	:	Ringgit Malaysia and sen respectively
Scanwolf Group or Group	:	Collectively, Scanwolf and its subsidiaries
Scanwolf or Company	:	Scanwolf Corporation Berhad (Registration No. 200601021156 (740909-T))
Scanwolf Share(s) or Share(s)	:	Ordinary share(s) in Scanwolf
Share Grant Price	:	The reference price of the Shares to be granted pursuant to the ESGP Awards
VWAP	:	Volume weighted average market price

All references to “you” in this Circular are to the shareholders of Scanwolf.

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

Any reference in this Circular 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.

All references to the time of day in this Circular are references to Malaysian time, unless otherwise stated.

Certain statements in this Circular 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 should not be regarded as a representation or warranty that Scanwolf's plans and objectives will be achieved.

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EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION ON THE PROPOSALS. PLEASE READ THIS CIRCULAR AND THE APPENDICES CAREFULLY FOR FURTHER DETAILS ON THE PROPOSALS BEFORE VOTING AT THE FORTHCOMING EGM.

No.	Key Information	Summary	Reference to this Circular
1	Details of the Proposals	<p><u>Proposed Termination of Existing SIS</u></p> <ul style="list-style-type: none"> The Board proposes to terminate the Existing SIS and replace it with the Proposed ESS. According to By-Law 19.5 of the Existing SIS, subject to compliance with the requirements of Bursa Securities and any other relevant authorities, the Existing SIS may be terminated by the SIS Committee at any time before the Existing SIS Expiry Date without obtaining the approvals from the share options holders under the Existing SIS or the shareholders of the Company provided that the Company shall immediately announce to Bursa Securities the requisite information as set out in Section 2 of this Circular. Accordingly, the information in relation to the Proposed Termination of Existing SIS have been included in this Circular for information purposes. For avoidance of doubt, the Existing SIS and Proposed ESS will not be implemented concurrently at any point in time, i.e. the Proposed ESS will only be implemented after the completion of the Proposed Termination of Existing SIS. <p><u>Proposed ESS</u></p> <ul style="list-style-type: none"> Proposed establishment of a new employees' share scheme comprising of the Proposed ESOS and the Proposed ESGP for the Eligible Persons involving up to 15% of the total number of issued Shares, subject to the provisions of the By-Laws. The Scheme shall be in force for a duration of 5 years from the effective date of implementation of the Scheme subject to any extension of the Scheme as provided under the By-Laws. Subject to any adjustments that may be made in accordance with the By-Laws, the ESOS Exercise Price and the Share Grant Price shall be based on the five (5)-day VWAP of Scanwolf Shares, immediately preceding the ESS Award Date, with a discount of not more than 10% or such basis as the relevant authorities may permit. The new Scanwolf Shares to be issued pursuant to the Proposed ESS shall upon allotment and issuance, rank equally in all respects with the existing Shares. 	Sections 2 and 3

EXECUTIVE SUMMARY (CONT'D)

No.	Key Information	Summary	Reference to this Circular
2.	Rationale for the Proposals	<p data-bbox="501 309 983 342"><u>Proposed Termination of Existing SIS</u></p> <ul data-bbox="501 371 1230 1016" style="list-style-type: none"> <li data-bbox="501 371 1230 524">• The number of the remaining Existing SIS Options available to be granted under the Existing SIS is limited, i.e. approximately 2.81% of the total number of issued Shares and the Existing SIS will be expiring on 4 November 2026 (with approximately 3 years remaining). <li data-bbox="501 553 1230 801">• As the Existing SIS only allows the granting of ESOS Options for its employees, the Proposed Termination of Existing SIS and Proposed ESS will provide the Company with a fresh scheme and maximum allocation of 15% of up to 10 years period to align with the Group's long-term reward and compensation package of its employees against the long-term growth objectives of the Group. <li data-bbox="501 831 1230 1016">• The Group can have better flexibility in determining the allocation of ESOS Options and ESGP Awards. The ESGP Awards will allow the Eligible Persons to receive new and/or existing Scanwolf Shares at no consideration and/or the equivalent cash value of such Scanwolf Shares or a combination thereof. <p data-bbox="501 1046 687 1079"><u>Proposed ESS</u></p> <p data-bbox="501 1108 1091 1142">The Proposed ESS is intended to, among others:-</p> <ul data-bbox="501 1171 1230 1756" style="list-style-type: none"> <li data-bbox="501 1171 1230 1357">• continue the Company's efforts to recognise, reward, retain and motivate Eligible Persons whose contributions are important to the smooth operation and continued growth of the Group and attract prospective skilled and experienced employees to the Group by making the total compensation package more competitive; <li data-bbox="501 1386 1230 1572">• motivate Eligible Persons towards better performance through greater productivity and loyalty to the Group and create a greater sense of dedication and belonging of Eligible Persons as they will be able to participate directly in the long-term development and growth of the Group; and <li data-bbox="501 1601 1230 1756">• reinforce pay for performance to achieve a balance between retention and value creation and foster an ownership culture within the Group by aligning the interests of Eligible Persons with the interests of shareholders of the Company. 	Section 4

EXECUTIVE SUMMARY (CONT'D)

No.	Key Information	Summary	Reference to this Circular
5.	Approvals required and inter-conditionality	<p>The Proposed ESS is subject to the following approvals being obtained:-</p> <ul style="list-style-type: none"> (i) approval of Bursa Securities, for the listing of and quotation for such number of new Scanwolf Shares to be issued pursuant to the Proposed ESS, representing up to 15% of the total number of issued Shares (excluding treasury shares, if any) at any point in time during the duration of the Scheme on the Main Market of Bursa Securities. The approval was obtained vide Bursa Securities' letter dated 2 February 2024 and subject to the conditions as set out in Section 8 of this Circular; (ii) approval of shareholders of Scanwolf at the forthcoming EGM to be convened for the following:- <ul style="list-style-type: none"> (a) the Proposed ESS; and (b) the waiver of statutory pre-emptive rights for the new Scanwolf Shares to be issued pursuant to the Proposed ESS under Section 85(1) of the Act. (iii) approval of any other relevant regulatory authorities, if applicable. <p>The Proposed Termination of Existing SIS and Proposed ESS are inter-conditional upon each other.</p>	Sections 6 and 8
6.	Statement by the Board	<p>The Board, having considered and deliberated on all aspects of the Proposals including the rationale and the effects of the Proposals, is of the opinion that the Proposals are in the best interest of the Company.</p> <p>Accordingly, the Board recommends that you vote in favour of the resolutions pertaining to the Proposed ESS to be tabled at the forthcoming EGM.</p>	Section 11



SCANWOLF CORPORATION BERHAD
(Registration No. 200601021156 [740909-T])
(Incorporated in Malaysia)

Registered Office
Unit 30-01, Level 30, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No. 8 Jalan Kerinchi
59200 Kuala Lumpur

8 February 2024

Board of Directors

Dato' Dr. Chew Chen Yee (*Deputy Chairman, Non-Independent Non-Executive Director*)
Dato' Tan Sin Keat (*Executive Director*)
Ng Chee Wai (*Executive Director*)
Dato' Cheong Chen Khan (*Executive Director*)
Khoo Kien Hoe (*Independent Non-Executive Director*)
Lim Kian Huat (*Independent Non-Executive Director*)
Lee Pei Fen (*Independent Non-Executive Director*)

To: The shareholders of Scanwolf

Dear Sir/Madam,

(I) PROPOSED TERMINATION OF EXISTING SIS; AND
(II) PROPOSED ESS

1. INTRODUCTION

On 17 January 2024, AmlInvestment Bank had, on behalf of the Board, announced that the Company wishes to undertake the Proposals comprising the Proposed Termination of Existing SIS and Proposed ESS ("**Announcement**").

On 2 February 2024, AmlInvestment Bank had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 2 February 2024, granted its approval for the listing of and quotation for such number of new Scanwolf Shares to be issued pursuant to the Proposed ESS, representing up to 15% of the total number of issued Shares (excluding treasury shares, if any) at any point in time during the duration of the Scheme, on the Main Market of Bursa Securities. The approval of Bursa Securities is subject to the conditions as set out in Section 8 of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSALS, TO SET OUT THE VIEWS AND RECOMMENDATION OF THE BOARD AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSED ESS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

SHAREHOLDERS ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH ITS APPENDICES, BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED ESS TO BE TABLED AT THE FORTHCOMING EGM.

2. PROPOSED TERMINATION OF EXISTING SIS

On 5 November 2021 ("**Existing SIS Effective Date**"), the Company implemented the Existing SIS entailing the issuance of up to fifteen percent (15%) of the total number of issued Shares (excluding treasury shares, if any). The Existing SIS is effective for a period of 5 years and shall expire on 4 November 2026 ("**Existing SIS Expiry Date**") in accordance with the Existing SIS By-Laws and administrated by the existing committee appointed and duly authorised by the Board ("**SIS Committee**").

The Board proposes to terminate the Existing SIS and replace it with the Proposed ESS. According to By-Law 19.5 of the Existing SIS, subject to compliance with the requirements of Bursa Securities and any other relevant authorities, the Existing SIS may be terminated by the SIS Committee at any time before the Existing SIS Expiry Date without obtaining the approvals from the share options holders under the Existing SIS ("**Existing Grantees**") or the shareholders of the Company provided that the Company shall immediately announce to Bursa Securities the following:-

- (A) the effective date of termination ("**Existing SIS Termination Date**");
- (B) number of Existing SIS Options exercised or Scanwolf Shares vested (as set out below); and
- (C) reasons and justification for termination (which are as set out in Section 4.1 of this Circular).

In accordance with the Existing SIS By-Law 19.6, upon termination of the Existing SIS:-

- (i) no further offer shall be made by the SIS Committee from the Existing SIS Termination Date;
- (ii) all offers which have yet to be accepted by any eligible employee or executive director of Scanwolf Group (excluding subsidiaries which are dormant) who meets the criteria of eligibility for participation in the Existing SIS shall automatically lapse on the Existing SIS Termination Date; and
- (iii) all outstanding Existing SIS Options which have yet to be exercised by any Existing Grantees shall be deemed cancelled and be null and void.

Since the Existing SIS Effective Date up to the LPD, the Company had granted a total of 24,418,000 Existing SIS Options excluding Existing SIS Options which has been cancelled, terminated and rejected, representing approximately 12.19% of the total number of issued Shares as at LPD, of which:-

- (a) 218,000 Existing SIS Options were exercised; and
- (b) 24,200,000 Existing SIS Options with an exercise price of RM0.5445 were vested but yet to be exercised. In accordance with the Existing SIS By-Law 19.6, all outstanding Existing SIS Options which have yet to be exercised shall be automatically terminated on the Existing SIS Termination Date.

As at the LPD, there are up to 5,619,426 Existing SIS Options which represent 2.81% of the issued Shares which may be granted pursuant to the maximum allowable allocation under the Existing SIS. The Company does not intend to grant any further Existing SIS Options between the date of the Announcement and until the termination of the Existing SIS.

For the avoidance of doubt, the Proposed Termination of Existing SIS does not require the approval of Scanwolf's shareholders and the information in relation to the Proposed Termination of Existing SIS have been included in this Circular for information purposes. The Effective SIS Termination Date will be determined and announced at a later date by the Board after obtaining all the relevant approvals for the Proposed ESS.

For clarification purposes, the Existing SIS and Proposed ESS will not be implemented concurrently at any point in time, i.e. the Proposed ESS will only be implemented after the completion of the Proposed Termination of Existing SIS.

3. PROPOSED ESS

The Proposed ESS will be implemented and administered by the ESS Committee and governed by the By-Laws. The ESS Committee will have absolute discretion in administering the Scheme including prescribing financial and/or performance criteria and/or such other conditions as it may deem fit. Offers will be granted to the Eligible Persons under the Proposed ESS.

The members of the ESS Committee may comprise of directors and/or senior management personnel of the Group as well as other persons identified and appointed from time to time by the Board. However, the composition of the ESS Committee has yet to be determined at this juncture.

The principal features of the Proposed ESS are as follows:-

3.1 Details of the Proposed ESS

(i) Proposed ESOS

The Proposed ESOS will involve the granting of the ESOS Options to Eligible Persons in accordance with the By-Laws. Upon acceptance of the ESOS Options by the ESOS Grantees, the ESOS Options will be vested to the ESOS Grantees over the tenure of the Proposed ESS. At this juncture, there is no performance target which has been set for the vesting of the ESOS Options.

(ii) Proposed ESGP

The Proposed ESGP entails a share grant which entitles the ESGP Grantees to receive the ESGP Award(s), in accordance with the By-Laws. As such, no proceeds would be raised by the Company pursuant to the Proposed ESGP. The ESGP Award is granted in the form of a restricted share plan and/or a performance share plan. For clarity purposes, the restricted share plan is intended to incentivise all Eligible Persons who have contributed to the development, growth and success of the Group during the course of their employment whilst the performance share plan is intended to incentivise management personnel of the Group (who are also the Eligible Persons) to recognise their contribution towards the growth and performance of the Group, subject to additional financial and/or performance criteria or any other conditions to be fulfilled by such management personnel, as may be determined by the ESS Committee.

At this juncture, there is no performance target which has been set for the vesting of the ESGP Award(s).

For avoidance of doubt, pursuant to the establishment of the Proposed ESS, the ESS Committee will also have discretion in granting to selected Eligible Persons the following:-

- (a) the right to receive ESOS Options; and/or
- (b) the right to receive ESGP Awards at specified dates.

The intended allocation of the ESS Awards between the ESOS Options and the ESGP Awards for the Maximum Shares (as defined herein) are as follows:

	Allocation of up to
ESOS Options	70%
ESGP Awards	30%
Total	100%

Nevertheless, such allocation may subject to change at the discretion of the ESS Committee after taking into consideration among others, the dilutive effect arising from the issuance of new Shares to the earnings, potential accounting impact and funding requirements of the Group.

3.2 Mode of Settlement

Subject to the prevailing legislations and the Listing Requirements, the Company will have the flexibility and discretion in determining the mode of settlement of the ESS Awards through any of the following methods:-

- (i) issuance of new Scanwolf Shares;
- (ii) transfer of Scanwolf Shares held in treasury (if any);
- (iii) acquisition of existing Scanwolf Shares from the market;
- (iv) payment of the equivalent cash value of such new Scanwolf Shares and/or existing Scanwolf Shares;
- (v) any other mode of satisfaction that may be permitted by the Act and Listing Requirements;
or
- (vi) a combination of any of the above.

The inclusion of the cash option as set out in item (iv) above is to cater for scenarios where any applicable laws, regulatory requirements and/or administrative constraints or other restrictions prevent or restrict the ability of Scanwolf to expediently settle the ESS Awards via the issuance or transfer of Scanwolf Shares, the ESS Committee may, at its sole discretion, consider the settlement of such ESS Awards in cash in lieu of Scanwolf Shares. Notwithstanding the aforesaid, the Company's decision to undertake the alternative cash settlement for the ESS Awards, may still hinges on, inter-alia, the Company's available cash balances at that juncture vis-à-vis the total cash payment required for the purposes of settling the ESS Awards as well as taking into consideration the Company's funding requirements at that point in time.

Such alternative settlement will give Scanwolf the flexibility to satisfy the ESS Awards in an expedient, fair and equitable manner for the affected Eligible Persons and at the same time provide flexibility to the affected Eligible Persons, wherein they can determine to invest in whole or in part of the equivalent cash amount in Scanwolf Shares.

In determining the various mode of settlement, the ESS Committee will take into account factors such as the prevailing market price of the Shares, funding considerations and dilutive effects on the Company's capital base, future returns and cash requirements of the Group. The Company shall have the flexibility to approve the vesting of the ESS Awards, wholly or partly, in the form of cash rather than Shares, in which event the Eligible Persons shall receive the aggregate value of the relevant number of Shares in cash, subject to provisions stated in the By-Laws.

To facilitate the implementation and administration of the Proposed ESS, the Company and/or the ESS Committee may (but shall not be obliged to) establish a trust to be administered by a trustee ("**Trustee**") in accordance with the terms of the trust deed to be entered into between the Company and the Trustee constituting the trust. The Company shall have the power to appoint or rescind the appointment of any trustee as it deems fit in accordance with the provisions of the trust deed.

The Trustee shall, at such time as the ESS Committee shall direct, subscribe for and/or purchase the necessary number of existing Scanwolf Shares to accommodate any issue or transfer of Scanwolf Shares to Eligible Persons. For this purpose, the Trustee will be entitled from time to time to the extent permitted by law to accept funding and/or assistance, financial or otherwise from the Company and/or its subsidiaries.

3.3 Maximum number of Shares available under the Proposed ESS

The aggregate maximum number of Shares to be allotted and issued pursuant to the Proposed ESS shall not at any point in time in aggregate exceed fifteen percent (15%) of the total number of issued Shares (excluding treasury shares, if any) or such other percentage of the total number of issued Shares (excluding treasury shares, if any) that may be permitted by Bursa Securities or any other relevant authorities during the ESS Period (as defined herein) ("**Maximum Shares**").

In the event the aggregate number of Shares which may be awarded under the Proposed ESS exceeds the Maximum Shares at any point in time as a result of the Company purchasing and/or cancelling Shares in accordance with the provisions of the Act or undertaking any corporate proposal(s) resulting in the reduction of the Company's total number of issued Shares, no further ESS Awards shall be awarded by the Board until such aggregate number of Shares already awarded under the Proposed ESS falls below the Maximum Shares. During this period, entitlement to the Shares arising from the Proposed ESS which have already been awarded at that point in time shall remain valid in accordance with the By-Laws.

3.4 Eligibility

The following Eligible Persons will be eligible to participate in the Proposed ESS if, as at the ESS Awards Date, he/she fulfils the following conditions:-

- (a) in relation to an employee of the Group (excluding dormant subsidiaries), he/she:-
 - (i) has attained the age of eighteen (18) years and he/she is not an undischarged bankrupt or subject to any bankruptcy proceedings; and
 - (ii) is employed:-
 - (A) on a full-time basis and is on the payroll of any company in the Group (excluding dormant subsidiaries) and his/her employment has been confirmed by any company in the Group; or
 - (B) under an employment contract for a fixed duration and has been in the employment of any company in the Group (excluding dormant subsidiaries) for such period as may be determined by the ESS Committee;

- (iii) falls within any other eligibility criteria that may be determined by the ESS Committee, in accordance with the By-Laws, from time to time at its sole discretion, whose decision shall be final and binding.
- (b) in relation to an Executive Director of the Company and/or an Executive Director of any company in the Group (excluding dormant subsidiaries), he/she:-
 - (i) has attained the age of eighteen (18) years and is not an undischarged bankrupt or subject to any bankruptcy proceedings; and
 - (ii) has been appointed as an executive director of the Group; or
 - (iii) falls within any other eligibility criteria that may be determined by the ESS Committee, in accordance with the By-Laws, from time to time at its sole discretion, whose decision shall be final and binding,

provided always that the selection of any of the abovementioned persons for participation in the Proposed ESS shall be at the sole discretion of the ESS Committee and the decision of the ESS Committee shall be final and binding. In determining the eligibility of an Eligible Persons to participate in the Proposed ESS, the ESS Committee may consider amongst other factors, the performance, targets, position, annual appraised performance, seniority and length of service, contribution, category or grade of employment of the Eligible Person or such other matters which the ESS Committee may in its sole discretion deem fit.

The specific allocation of ESS Awards granted under the Scheme to any of the Eligible Persons who is an executive director, chief executive, major shareholders of the Company or a person connected with an executive director, chief executive or major shareholder of the Company must have been approved by the shareholders of the Company at a general meeting and they shall not participate in the deliberation or discussion of their own allocation.

For avoidance of doubt, the ESS Committee may from time to time at its absolute discretion determine any other eligibility criteria and/or waive any of the conditions of the eligibility as set out above, for the purposes of selecting an Eligible Person. In the event that any Eligible Person is a member of the ESS Committee, such Eligible Person shall not participate in the deliberation or discussion of his/her own allocation of the ESS Awards.

Eligibility under the Scheme does not confer upon an Eligible Person a claim or right to participate in or any rights whatsoever under the Scheme and an Eligible Person does not acquire or have any rights over or in connection with the ESOS Options or the Shares in the ESGP Awards comprised herein unless the ESS Committee has awarded ESS Awards to the Eligible Person and the Eligible Person has accepted the ESS Awards in accordance with the terms of the ESS Awards and the provisions of the By-Laws.

3.5 Maximum allowable and basis of allocation

The basis of allocation of the aggregate number of the Shares which may be comprised in the ESOS Options and/or ESGP Awards and the aggregate maximum number of Shares which may be offered to an Eligible Person under the Scheme shall be determined entirely at the sole discretion of the ESS Committee subject to provisions in the By-Laws and after taking into consideration, amongst others, the provisions of the Listing Requirements or other applicable regulatory requirements prevailing during the ESS Period relating to employees' and/or directors' share issuance schemes after taking into consideration the performance, targets, position, annual appraised performance, seniority and length of service, contribution, category or grade of employment of the Eligible Person and/or such other matters which the ESS Committee may in its sole discretion deem fit. An Eligible Person shall abstain from deliberations or discussions in respect of their respective allocations.

To the extent possible and subject always to provisions in the By-Laws, the ESS Committee will ensure that there should be equitable allocation to the various grades of Eligible Persons. The ESS Committee will also ensure that not more than 10% (or such percentage as allowable by relevant authorities) of the total number of Scanwolf Shares to be issued under the Proposed ESS shall be allocated to any individual Eligible Person, who either singly or collectively through persons connected with the Eligible Person, holds 20% or more of the total number of issued Shares (excluding treasury shares, if any). Furthermore, not more than 70% of the Scanwolf Shares available under the Proposed ESS shall be allocated to the directors and/or senior management of Scanwolf Group (excluding dormant subsidiaries) who are Eligible Persons, on the basis that they are crucial to the performance of Scanwolf Group and after taking into consideration their position, length of service and contribution to Scanwolf Group.

The ESS Committee shall also have the sole discretion in determining (i) whether the granting of the ESS Awards shall be awarded in one (1) single award at a time determined by the ESS Committee, or (ii) several ESS Awards, where the vesting of Shares comprised in the ESS Awards is staggered or made in several tranches at such times and on terms determined by the ESS Committee. In the event the ESS Committee decides that the ESS Award is to be staggered, the ESS Committee shall also have the discretion in determining (i) the number of Shares to be offered in each ESS Award, (ii) whether the ESS Awards are subject to any vesting period and if so, the timing for the vesting of each ESS Award and the vesting conditions, including whether such vesting conditions are subject to performance targets.

3.6 Duration of the Proposed ESS

The Proposed ESS, when implemented, shall be in force for a duration of five (5) years from the effective date of the implementation of the Proposed ESS and may be extended for a period of up to another five (5) years, provided that the tenure of the Proposed ESS shall not, in aggregate, exceed a duration of ten (10) years from the effective date of the implementation of the Scheme.

For avoidance of doubt, no further approvals from the shareholders of the Company shall be required for the extension of the ESS Period and the Company shall serve appropriate notices on the Grantees 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 five (5) years.

Notwithstanding anything to the contrary, on expiry of the Proposed ESS, all unvested ESS Awards shall lapse and be deemed terminated and be null and void.

3.7 Basis of determining the ESOS Exercise Price and the Share Grant Price

The ESOS Exercise Price and Share Grant Price shall be based on the five (5)-day VWAP of Scanwolf Shares, immediately preceding the ESS Award Date, with a discount of not more than 10% on the said VWAP or such basis as the relevant authorities may permit.

The ESOS Exercise Price and/or the Share Grant Price shall be subject to adjustments in accordance with the By-Laws. For avoidance of doubt, (i) a nominal non-refundable consideration of RM1.00 only or such other amount as may be determined by the ESS Committee shall be paid by the Eligible Persons for the acceptance of the ESGP Awards, and (ii) no monetary consideration is required to be paid by the Eligible Persons for the subsequent vesting of the ESGP Awards.

3.8 Alteration of share capital and adjustment to the Proposed ESS

In the event of any alteration in the capital structure of the Company during the ESS Period (whether by way of a rights issue, bonus issue or other capitalisation issue, consolidation or subdivision of shares or reduction or any other variation of capital), the ESS Committee may, at its discretion, determine whether the following shall be adjusted, and if so, the manner in which such adjustments should be made:-

- (i) in respect of the Proposed ESOS, the ESOS Exercise Price and/or the number of unexercised ESOS Options, and/or the ESOS Exercise Price for the unexercised ESOS Options which is open for acceptance; and
- (ii) in respect of the Proposed ESGP, the number of Shares which are the subject of the ESGP Award to the extent not yet vested and/or the maximum number of existing Shares which may be delivered in settlement pursuant to the ESGP Awards.

Such alterations (if any) will be in accordance with the By-Laws.

Save for the adjustments to the Proposed ESS arising from bonus issues, subdivision or consolidation of shares of the Company, an approved external auditor or the Company's principal adviser (which must be a person who is permitted to carry out regulated activity of advising on corporate finance under the Capital Markets and Services Act 2007 and who is licensed to make submissions to the Securities Commission Malaysia for corporate proposals), must be engaged to confirm in writing that all adjustments made are in their opinion fair and reasonable. The opinion of the external auditor or the principal adviser shall be final, binding and conclusive.

3.9 Ranking of new Scanwolf Shares pursuant to the Proposed ESS

The new Scanwolf Shares to be issued pursuant to the Proposed ESS shall upon allotment and issuance, rank equally in all respects with the existing Shares except that the holders of such new Scanwolf Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to the shareholders of Scanwolf, the entitlement date of which is prior to the date of allotment and issuance of such new Scanwolf Shares.

The Scanwolf Shares to be transferred pursuant to the Proposed ESS shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to the shareholders of Scanwolf, the entitlement date of which is prior to the date on which the Scanwolf Shares are credited into the relevant securities accounts of the Grantees maintained by Bursa Malaysia Depository Sdn Bhd.

3.10 Listing of and quotation for the new Scanwolf Shares to be issued pursuant to the Proposed ESS

Bursa Securities had vide its letter dated 2 February 2024 approved the listing of and quotation for such number of new Scanwolf Shares to be issued pursuant to the Proposed ESS, representing up to 15% of the total number of issued Shares (excluding treasury shares, if any) at any point in time during the duration of the Scheme on the Main Market of Bursa Securities. The approval of Bursa Securities is subject to the conditions as set out in Section 8 of this Circular.

3.11 Utilisation of proceeds

No proceeds will be received pursuant to the Proposed ESGP as ESGP Grantees will not be required to pay for the Shares that may be issued and/or transferred to them.

Proceeds to be received by Scanwolf pursuant to the exercise of ESOS Options will depend on, *inter-alia*, the number of ESOS Options granted and exercised at the relevant point in time and the ESOS Exercise Price, which are not determinable at this juncture. Any proceeds from the exercise of ESOS Options are expected to be used for working capital requirements of the Group, which may include, amongst others, payment for trade and other payables, staff costs such as salaries, statutory contributions and other operating expenses. The proceeds to be utilised for each component of working capital are subject to the Group's operating requirements at the time of utilisation and therefore cannot be determined at this juncture. However, the Company expects to utilise the proceeds for the said working capital requirements within a period of twelve (12) months, as and when the proceeds are received throughout the duration of the Proposed ESS.

Pending the utilisation of proceeds raised by the Company as and when the ESOS Options are exercised, such proceeds will be placed in deposits with financial institutions or short-term money market instruments as the Board deems fit. The interest derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used as additional working capital of the Group.

The estimated expenses in relation to the Proposals are approximately RM0.2 million which would be funded via internally generated funds of Scanwolf Group.

3.12 Retention period

The Scanwolf Shares to be allotted and issued and/or transferred to a Grantee pursuant to the exercise of an ESOS Option and/or vesting of an ESGP Award under the Scheme may be subject to such reasonable retention period or restriction on transfer (if any/applicable) imposed/determined by the ESS Committee at its discretion, which may be stipulated in the ESS Awards. The Grantees are encouraged to hold the Shares as an investment rather than to realise immediate gains from disposal.

Notwithstanding the above, the ESS Committee shall be entitled to prescribe or impose, in relation to any ESS Awards, any condition relating to any retention period or restriction on transfer (if applicable) as the ESS Committee sees fit.

3.13 Termination of the Proposed ESS

Subject to compliance with the Listing Requirements, the By-Laws, other requirements of Bursa Securities and any other relevant authorities, the Scheme may be terminated by the Company at any time before the expiry of the ESS Period and provided that the Company shall immediately announce to Bursa Securities the following:-

- (i) effective date of termination of the Scheme ("**Termination Date**");
- (ii) number of ESOS Options exercised under the Proposed ESOS and/or Shares vested under the Proposed ESGP; and
- (iii) reasons and justification for termination of the Proposed ESS.

Notwithstanding anything to the contrary, all unvested and/or unexercised ESS Awards shall lapse and shall be null and void on the Termination Date. The approval or consent of the shareholders of Scanwolf by way of a resolution in a general meeting and written consent of the Grantees are not required to affect the termination of the Scheme unless otherwise required by the Listing Requirements and/or any other applicable laws.

4. RATIONALE FOR THE PROPOSALS

4.1 Proposed Termination of Existing SIS

In accordance with the Existing SIS By-Law, subject to compliance with the requirements of the relevant authorities, the Company may establish a new share option scheme after the expiry of the Existing SIS or if the Existing SIS has been terminated during its duration.

Pursuant to the Existing SIS By-Laws and the Listing Requirements, the total number of Shares to be issued shall not exceed 15% of the total number of issued Shares (excluding treasury shares, if any) during the duration of the Existing SIS. As at LPD, 24,418,000 Existing SIS Options excluding Existing SIS Options which has been cancelled, terminated and rejected (representing approximately 12.19% of the total number of issued Shares) have been granted. The number of the remaining Existing SIS Options available to be granted under the Existing SIS is limited, i.e. approximately 2.81% of the total number of issued Shares and the Existing SIS will be expiring on 4 November 2026 (with approximately 3 years remaining).

The Company believes that it is important to continue rewarding, to retain and motivate the Group's employees in the long term. In this respect, the Company proposes to undertake the Proposed Termination of Existing SIS and implement the Proposed ESS to provide the Company with a fresh scheme and maximum allocation of 15% of up to 10 years period to align with the Group's long-term reward and compensation package of its employees against the long-term growth objectives of the Group.

Further, the Existing SIS only allows the granting of ESOS Options for its employees. Upon the termination of the Existing SIS and with the fresh maximum allowable limit of ESS Award of up to 15% of the total number of issued Shares under the Proposed ESS, the Group can have better flexibility in determining the allocation of ESOS Options and ESGP Awards. The ESGP Awards will allow Eligible Persons to receive new and/or existing Scanwolf Shares at no consideration and/or the equivalent cash value of such Scanwolf Shares or a combination thereof.

As such, the Board is of the view that the replacement of Existing SIS with the Proposed ESS will allow the Group to have more alternatives and enhanced flexibility in the granting and allocation of ESS Awards in order to meet the Group's long-term reward strategy of ensuring that its total reward and compensation package is competitive and sustainable, by providing the right remuneration, benefits, and career development with equity participation to Eligible Persons, which will in turn serve to align the interests of Eligible Persons with the long-term growth objectives of the Group.

4.2 Proposed ESS

The Board believes that the Proposed ESS will act as an incentive plan to give an opportunity to the Eligible Persons to directly participate in the equity of the Company which will align the interests of the Eligible Persons with the objectives of the Group to create sustainable value enhancement for shareholders. Accordingly, the Proposed ESS is intended to:-

- (i) continue the Company's efforts to recognise, reward, retain and motivate Eligible Persons whose contributions are important to the smooth operation and continued growth of the Group;
- (ii) attract prospective skilled and experienced employees to the Group by making the total compensation package more competitive;
- (iii) motivate Eligible Persons towards better performance through greater productivity and loyalty to the Group;

- (iv) create a greater sense of dedication and belonging of Eligible Persons as they will be able to participate directly in the long-term development and growth of the Group;
- (v) reinforce pay for performance to achieve a balance between retention and value creation; and
- (vi) foster an ownership culture within the Group by aligning the interests of Eligible Persons with the interests of shareholders of the Company.

The objective of incorporating both the Proposed ESOS and the Proposed ESGP under the Scheme at the same time is to accord the Company flexibility in determining the mode/manner of rewarding its employees at the relevant point in time which will take into account various factors, amongst others, the dilutive effect arising from the issuance of new Shares to the earnings, potential accounting impact and cashflow position/funding requirements of the Group.

Further to the above, the inclusion of the cash option as a mode of settlement of the ESS Awards allows the Company to satisfy the ESS Awards in an expedient, fair and equitable manner in the event there are restrictions preventing the settlement of ESS Awards via Scanwolf Shares to Eligible Persons which will also accord the Eligible Persons the flexibility in determining whether to invest in whole or in part of the equivalent cash amount in Scanwolf Shares and participate as a shareholder, which is aligned with the objective of providing Eligible Persons with the opportunity to participate in the equity and growth of the Company.

5. EFFECTS OF THE PROPOSALS

For information purposes, the Proposed Termination of the Existing SIS will not have any effect on the issued share capital, substantial shareholders' shareholdings, EPS and convertible securities of Scanwolf.

As at LPD, Scanwolf has the following convertible securities:-

- (i) 51,003,100 warrants in the Company ("**Warrant(s)**") constituted by the deed poll dated 10 June 2021, expiring on 5 August 2026. Each Warrant is entitled to subscribe for 1 new Scanwolf Share at an exercise price of RM0.30 per Warrant; and
- (ii) 59,596,500 Irredeemable Convertible Unsecured Loan Stocks ("**ICULS**") with a conversion price of RM0.30 and conversion period of up to 4 August 2026. The ICULS are constituted by trust deed dated 10 June 2021 and have a conversion ratio of either the following:-
 - (a) 3 ICULS for 1 new Share; or
 - (b) a combination of 1 ICULS and cash payment of RM0.20 for 1 new Share.

(Collectively, the Warrants and ICULS are referred as the "**Convertible Securities**")

The proforma effects of the Proposed ESS are set out below based on the following scenarios:-

- | | | |
|------------------|---|---|
| Minimum Scenario | : | Assuming none of the Convertible Securities and 24,200,000 Existing SIS Options are exercised prior to the implementation of the Proposed ESS |
| Maximum Scenario | : | Assuming the full exercise of the Convertible Securities and 24,200,000 Existing SIS Options prior to the implementation of the Proposed ESS |

5.1 Issued share capital

The Proposed ESS is not expected to have any immediate effect on the existing issued share capital of Scanwolf. However, the issued share capital of the Company will increase progressively depending on the number of new Scanwolf Shares that may be issued in connection with the Proposed ESS. Nevertheless, there will be no effect on the share capital of the Company if the ESS Awards granted under the Proposed ESS are satisfied vide treasury shares (if any), existing Scanwolf Shares or settled in cash to the relevant Grantees.

For illustration purposes, the proforma effects of the Proposed ESS on the issued share capital of Scanwolf are shown in the table below:-

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM	No. of Shares	RM
Issued share capital as at the LPD	200,249,510	82,395,747	200,249,510	82,395,747
Assuming full exercise of Warrants	-	-	51,003,100	15,300,930 ⁽¹⁾
Assuming full exercise of ICULS	-	-	59,596,500	17,878,950 ⁽²⁾
Assuming full exercise of Existing SIS Options	-	-	24,200,000	13,176,900 ⁽³⁾
	200,249,510	82,395,747	335,049,110	128,752,527
Assuming full exercise of the New ESS Options	30,037,426 ⁽⁴⁾	12,916,093	50,257,366 ⁽⁴⁾	21,610,667 ⁽⁵⁾
Enlarged issued share capital	230,286,936	95,311,840	385,306,476	150,363,194

Notes:-

- (1) Computed based on the exercise price of RM0.30 per Warrant.
- (2) Assuming the ICULS are converted based on the conversion ratio of 1 ICULS with a cash payment of RM0.20 for 1 new Scanwolf Share.
- (3) Computed based on the exercise price of RM0.5445 per Existing SIS Option.
- (4) Computed based on 15% of the total number of issued Shares.
- (5) Calculated based on the illustrative ESOS Exercise Price / Share Grant Price of RM0.43, which represents a discount of approximately RM0.038 or 8.12% to the 5-day VWAP of Scanwolf Shares up to and including the LPD of RM0.468 per Scanwolf Share.

5.2 Substantial shareholders' shareholdings

The Proposed ESS will not have an immediate effect on the shareholdings of the substantial shareholders of Scanwolf until such time when the new Shares are issued pursuant to the Proposed ESS, which should result in a dilution in their shareholdings. Any potential effect on the substantial shareholdings in Scanwolf will depend on the number of ESOS Options granted and new Shares to be issued arising from the exercise of the ESOS Options under the Proposed ESOS as well as the number of new Scanwolf Shares issued under the Proposed ESGP at any point in time.

5.3 NA and Gearing

As of 30 June 2023, Scanwolf has share options reserves of approximately RM7.6 million arising from the granting of Existing SIS Options to its employees. Upon termination of the Existing SIS, the remaining amount in the share options reserves on the Existing SIS Termination Date will be reversed and recognised in the retained earnings of Scanwolf.

Save for the potential accounting impact of the MFRS 2 - "Share-Based Payment" issued by the Malaysian Accounting Standards Board ("**MFRS 2**") as described in Section 5.4 of this Circular, the Proposed ESS is not expected to have any immediate effect on the NA and NA per Share of Scanwolf until such time the new Shares are issued in connection with the exercise of ESOS Options and/or vesting of ESGP Awards. Any potential effects on the NA and NA per Share of Scanwolf will depend on the actual number of Shares to be issued arising from the exercise of the ESOS Options and/or vesting of ESGP Awards, as well as the ESOS Exercise Price. Additionally, the Proposed ESS is not expected to have any material effect on the Group's gearing level.

5.4 EPS

The Proposed ESS is not expected to have any immediate material effect on the earnings and EPS of the Group until such time when the ESS Awards are granted. In accordance with the MFRS 2, the Proposed ESS will result in a change to the earnings of the Group over the period from the ESS Award Date to the vesting date of the ESS Awards.

However, the potential effect of the Proposed ESS on the future earnings and EPS of the Group cannot be determined at this juncture as it will depend on, amongst others, the number of ESS Awards granted and exercised as well as the various factors that affect the fair value of the ESS Awards as at the respective ESS Award Date.

The Board takes cognisance of the potential effect of the Proposed ESS on the earnings of the Group and will take proactive measures to manage the earnings impact in the granting of ESS Awards.

For information purposes, based on Scanwolf's audited financial statements for FYE 30 June 2023, the Group recorded a loss of approximately RM10.39 million, which translates to a loss per Share of approximately RM0.05 as at the LPD. Strictly for illustration purposes and assuming full exercise of the Convertible Securities and 24,200,000 Existing SIS Options prior to the implementation of the Proposed ESS, and 50.25 million new Shares are issued pursuant to the Proposed ESS (under the Maximum Scenario), the proforma diluted loss per share of the Group amounts to approximately RM0.03.

5.5 Convertible securities

As at the LPD, save for the outstanding 51,003,100 Warrants and 59,596,500 ICULS, the Company does not have any other existing convertible securities.

Pursuant to the terms and conditions governing the Convertible Securities, no adjustments will be made to the exercise price and the number of Convertible Securities pursuant to the Proposed ESS.

For information purposes, the Existing SIS remains in effect as at LPD and there are 24,200,000 Existing SIS Options granted under the Existing SIS which have yet to be exercised.

6. INTER-CONDITIONALITY

The Proposed ESS and Proposed Termination of Existing SIS are inter-conditional upon each other.

The Proposals are not conditional upon any other corporate proposals undertaken or to be undertaken by the Company.

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

Presently, all executive directors of Scanwolf are eligible to participate in the Proposed ESS and are therefore deemed to be interested in the Proposed ESS to the extent of their respective allocations as well as the allocations to persons connected with them (if any) under the Proposed ESS ("**Interested Directors**"). Notwithstanding the foregoing, the Board has deliberated on the Proposed ESS and has agreed to present the Proposed ESS to the shareholders of the Company for their consideration and approval.

Accordingly, all Interested Directors have abstained and will continue to abstain from all deliberations and voting in respect of the specific allocation of the ESS 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 Scanwolf on resolutions pertaining to any specific allocations of the ESS Awards to themselves, as well as the specific allocations to any persons connected with them under the Proposed ESS at the Extraordinary General Meeting ("**EGM**") to be convened.

The details of the Interested Directors' shareholdings in the Company as at the LPD are as follows:-

	Direct		Indirect	
	No. of Shares	% ⁽ⁱ⁾	No. of Shares	% ⁽ⁱ⁾
Dato' Tan Sin Keat	7,727,181	3.86	2,000,000 ⁽ⁱⁱ⁾	1.00
Ng Chee Wai	7,180,000	3.59	-	-
Dato' Dr. Chew Chen Yee	-	-	16,000,000 ⁽ⁱⁱⁱ⁾	7.99
Dato' Cheong Chen Khan	-	-	-	-

Notes:-

(i) Based on the total number of 200,249,510 issued Shares as at the LPD.

(ii) Deemed interested by virtue of the shareholdings of his son, Tan Yann Kang, pursuant to Section 59(11)(c) of the Act.

(iii) Deemed interest by virtue of Dato' Dr. Chew Chen Yee's shareholdings in PEG Capital Sdn Bhd pursuant to Section 8(4) of the Act.

Save as disclosed above, none of the Directors, chief executive, major shareholders and/or persons connected to them have any interest, direct or indirect, in the Proposed ESS.

8. APPROVALS REQUIRED

The Proposed ESS is subject to the following approvals being obtained:-

- (i) approval of Bursa Securities, for the listing of and quotation for such number of new Scanwolf Shares to be issued pursuant to the Proposed ESS, representing up to 15% of the total number of issued Shares (excluding treasury shares, if any) at any point in time during the duration of the Scheme on the Main Market of Bursa Securities. The approval was obtained vide Bursa Securities' letter dated 2 February 2024 and subject to the following conditions:-

No.	Conditions	Status of compliance
1	Scanwolf and AmlInvestment Bank must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed ESS.	To be complied
2	AmlInvestment Bank is required to submit a confirmation to Bursa Securities of full compliance of the Proposed ESS pursuant to Paragraph 6.43(1) of the Listing Requirements and stating the effective date of implementation, together with the following: (i) A certified true copy of the resolutions passed by the shareholders in general meeting approving the Proposed ESS; and (ii) Letter of compliance in relation to the By-Laws pursuant to Paragraph 2.12 of the Listing Requirements together with a copy of the final By-Laws.	To be complied
3	Scanwolf is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the Proposed ESS as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied

- (ii) approval of shareholders of Scanwolf at the forthcoming EGM to be convened for the following:-
- (a) the Proposed ESS; and
- (b) the waiver of statutory pre-emptive rights for the new Scanwolf Shares to be issued pursuant to the Proposed ESS under Section 85(1) of the Act.

Section 85(1) of the Act provides 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.”

Section 85(1) of the Act, when read together with Clause 57 of the Constitution of the Company, may be construed to mean that all new shares or other convertible securities in the Company shall, before they are issued, be first offered to such persons who are entitled to receive notices from the Company of general meetings as at the date of the offer in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled (**"Pre-emptive Rights"**).

Accordingly, in conjunction with the Proposed ESS, the Company wish to seek for its shareholders' approval for an express waiver of their Pre-emptive Rights to be offered any new Scanwolf Shares ranking equally to the existing issued shares of the Company arising from the issuance of new Scanwolf Shares to be issued pursuant to the Proposed ESS under Section 85 of the Act and Clause 57 of the Constitution of the Company at the EGM to be convened.

If you vote in favour of the proposed resolutions pertaining to the Proposed ESS to be tabled at the EGM to be convened, you will irrevocably waive your Pre-emptive Rights and such proposed resolutions, if passed, would tantamount to you agreeing to waive your Pre-emptive Rights in respect of the allotment and issuance of the new Scanwolf Shares pursuant to the Proposed ESS, which will result in a dilution to your shareholding in the Company.

(iii) approval of any other relevant regulatory authorities, if applicable.

For avoidance of doubt, as mentioned in Section 2 of this Circular, the Proposed Termination of the Existing SIS does not require any approvals from the Existing Grantees or shareholders of Scanwolf under the Existing SIS By-Laws.

9. OUTSTANDING PROPOSALS ANNOUNCED BUT PENDING COMPLETION

As at the LPD, save for the Proposals, there are no other corporate exercises which have been announced but are pending completion prior to the printing of this Circular.

10. FUND-RAISING EXERCISE IN THE PAST 12 MONTHS

Scanwolf has not undertaken any fund-raising exercise in the past 12 months up to the LPD.

11. STATEMENT BY THE BOARD

The Board, having considered and deliberated on all aspects of the Proposals including the rationale and the effects of the Proposals, is of the opinion that the Proposals are in the best interest of the Company.

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

For avoidance of doubt, in view that the Interested Directors are deemed interested in the Proposed ESS to the extent of their respective allocations (if any) as well as allocations to person connected with them (if any) under the Proposed ESS, they have abstained and will continue to abstain from expressing any opinion and recommendation insofar as their specific allocation and specific allocation to any persons connected with them (if any) under the Proposed ESS.

12. EXPECTED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances, the Board expects to implement the Proposed ESS by second quarter of 2024.

13. ADVISER

AmlInvestment Bank has been appointed to act as the Principal Adviser to the Company for the Proposed ESS.

14. EGM

The EGM, the Notice of which is enclosed in this Circular, will be held at Agate Room (Level G), Avante Hotel, No. 1, Persiaran Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor, Malaysia on Tuesday, 27 February 2024 at 10.30 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the resolutions pertaining to the Proposed ESS as described therein.

If you are unable to attend and vote in person at the EGM, you are requested to complete, sign and return the Form of Proxy enclosed in this Circular, in accordance with the instructions printed thereon as soon as possible, in any event, so as to arrive at the office of the Share Registrar of the Company, *Tricor Investor & Issuing House Services Sdn Bhd* at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur or by electronic lodgment via TIIH Online website at <https://tiih.online> not less than 48 hours before the time set for holding the EGM or at any adjournment thereof.

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

15. 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
SCANWOLF CORPORATION BERHAD

DATO' TAN SIN KEAT
EXECUTIVE DIRECTOR

**SCANWOLF CORPORATION BERHAD
DRAFT BY-LAWS OF THE EMPLOYEES' SHARE SCHEME**

PART I

1. NAME OF THE SCHEME

This Scheme (as defined herein) shall be called the "Scanwolf Corporation Berhad Employees' Share Scheme".

2. OBJECTIVES OF SCHEME

2.1 The objectives of the ESS (as defined herein) are as follows:

- (a) To recognise and reward the Eligible Persons (as defined herein) by giving recognition to their contributions and services that are considered vital to the operations and sustained growth and profitability of the Group (as defined herein);
- (b) To retain, motivate and reward the Eligible Persons by allowing them to participate in the Company's profitability and eventually realise capital gains arising from any appreciation in the value of the Shares (as defined herein);
- (c) To attract prospective employees with relevant skills and experience to the Group (as defined herein) by making the total compensation package more competitive;
- (d) To motivate Eligible Persons towards providing better performance through greater productivity and loyalty to the Group; and
- (e) To foster and reinforce a greater sense of loyalty and belonging amongst the Eligible Persons upon vesting of the Shares as they will be able to participate directly in the equity of the Company and thereby provides an incentive for the Eligible Persons to participate more actively in the operations and future growth of the Group and motivate them to further contribute to the growth and success of the Group.

2.2 In addition to the objectives set out in By-Law 2.1 above, the objective of the RSP (as defined herein) is to act as an incentive for Eligible Persons and recognise and retain appropriate Eligible Persons who have contributed to the development, growth and success of the Group during the course of their employment.

2.3 In addition to the objectives set out in By-Law 2.1 above, the objective of the PSP (as defined herein) is to act as an incentive for the management personnel and to recognise the contribution of the management personnel (who are the Eligible Persons) of the Group of such rank or position as may be designated by the ESS Committee from time to time in recognition of their contribution as drivers of the growth and performance of the Group during the tenure of the PSP.

3. DEFINITIONS AND INTERPRETATION

3.1 In these By-Laws, unless the context otherwise requires, the following terms and expressions shall have the following meanings:

Act	The Companies Act 2016
Adviser	A person who is permitted to carry out regulated activity of advising on corporate finance under the Capital Markets and Services Act 2007 and who is licensed to make submissions to the SC for corporate proposals
Award Date	The date of the letter or e-mail in which an ESS Award is offered by the ESS Committee to the Eligible Persons to participate in the Scheme
Board	The Board of Directors for the time being of Scanwolf
Bursa Depository	Bursa Malaysia Depository Sdn Bhd [198701006854 (165570-W)]
Bursa Securities	Bursa Malaysia Securities Berhad [200301033577 (635998-W)]
By-Laws	The rules, terms and conditions of the Scheme (as may be modified, varied and/or amended from time to time in accordance with By-Law 27)
CDS	Central Depository System
CDS Account	An account established by Bursa Depository for a depositor for the recording of deposits and withdrawal of securities and for dealings in such securities by a depositor
Company or Scanwolf	Scanwolf Corporation Berhad [200601021156 (740909-T)], a public limited company incorporated in Malaysia under the Companies Act, 1965 and includes its successor-in-title and permitted assigns
Date of Expiry	Last day of the Duration of the Scheme as defined in By-Law 25.1
Director(s)	A natural person who holds a directorship within the Group (excluding subsidiaries which are dormant) for the time being, in an executive capacity, within the meaning stipulated in the Act, which for the avoidance of doubt excludes alternate and substitute directors
Disciplinary Proceedings	Proceedings instituted by a Scanwolf Group company against an Employee for any alleged misbehaviour, misconduct and/or any other act of the Employee deemed to be unacceptable by that Scanwolf Group company in the course of that Employee's employment, whether or not such proceedings may give rise to a dismissal or termination of the contract of service of such Employee

APPENDIX I – DRAFT BY-LAWS (CONT'D)

Duration of the Scheme	The duration of the Scheme as defined in By-Law 25 and includes any extension of the duration
Effective Date	The date on which the Scheme comes into force as provided in By-Law 25.1
Eligible Person(s)	The Employee(s) and Directors of the Scanwolf Group who meet(s) the criteria of eligibility for participation in the Scheme as set out in By-Law 5
Employee	A natural person who has attained the age of eighteen (18) years and is employed by, and is on the payroll of, any company in the Group and whose employment has been confirmed in writing and falls within any other eligibility criteria that may be determined by the ESS Committee from time to time at its discretion
Entitlement Date	The date as at the close of business on which the names of shareholders must appear in Scanwolf's Record of Depositors and/or Register of Members in order to be entitled to any dividends, rights, allotments and/or other distributions
ESGP	The employee share grant plan comprising the RSP and the PSP
ESGP Award(s)	A contingent award of Shares comprising of a PSP Grant and/or RSP Grant made in writing by the ESS Committee to the Eligible Persons to participate in the ESGP as set out under By-Law 11
ESGP Grantee(s)	A PSP Grantee and/or RSP Grantee, as the case may be
ESOS	The employees' share option scheme for the benefit of the Eligible Persons to subscribe for Shares according to the terms set out herein
ESOS Offer	An award of ESOS Options made in writing by the ESS Committee from time to time to an Eligible Person to participate in the ESOS in the manner provided in By-Law 7
ESOS Grantee(s)	An Eligible Person who has accepted an ESOS Offer in the manner provided in By-Law 8
ESOS Option(s) or Option(s)	The right of an ESOS Grantee to subscribe for Shares at the Exercise Price pursuant to an ESOS Offer duly accepted by the ESOS Grantee in the manner provided in By-Law 8
ESS Award(s)	Collectively, the ESOS Offer and the ESGP Award offered by the ESS Committee to the Eligible Persons and "ESS Award" shall mean any one of them in the context of these By-Laws

APPENDIX I – DRAFT BY-LAWS (CONT'D)

ESS Committee	The committee appointed by the Board to administer the ESS in accordance with By-Law 28, comprising such number of the Directors, which for the avoidance of doubt includes non-executive directors, and/or management personnel of Scanwolf Group identified from time to time by the Board
ESS or Scheme	Scanwolf Corporation Berhad Employees' Share Scheme comprising the ESOS and the ESGP
Exercise Price	The price at which an ESOS Grantee shall be entitled to subscribe for each new Share from the Company upon the exercise of the ESOS Options, as initially determined and as may be adjusted pursuant thereto in accordance with the provisions of By-Law 10
Grantee(s)	An ESOS Grantee and/or ESGP Grantee, as the case may be
Group or Scanwolf Group	The Company and its subsidiary company(ies) as defined in Section 4 of the Act which are not dormant. Subject to the foregoing, subsidiaries include subsidiaries which are existing as at the Effective Date and subsidiaries which are incorporated or acquired at any time during the duration of the ESS but exclude subsidiaries which have been divested in the manner provided in By-Law 23
Listing Requirements	The Main Market Listing Requirements of Bursa Securities, including any amendments thereto that may be made from time to time
Market Day	A day on which Bursa Securities is open for trading of securities
Maximum Allowable Allotment	The maximum number of Shares in respect of the ESS Awards that can be offered and allotted and/or transferred to an Eligible Person in accordance with the provisions of By-Law 6
Maximum Limit	The maximum number of Shares that may be offered and issued under the ESS which shall not exceed fifteen percent (15%) of the total number of issued share capital of the Company (excluding treasury shares, if any) at any point of time during the existence of the ESS, as stipulated in By-Law 4.1
Offer Period	A period of thirty (30) days from the Award Date or such longer period as may be determined by the ESS Committee at its sole discretion during which an ESOS Offer is valid
Option Period	The period commencing from the Effective Date to a date not exceeding five (5) years or such other date as stipulated by the ESS Committee in the ESOS Offer or upon the date of termination or expiry of the ESOS as provided in By-Laws 17 or 25 respectively

APPENDIX I – DRAFT BY-LAWS (CONT'D)

Performance Target	The performance targets determined by the ESS Committee, which are to be achieved by the Grantee and/or Group and/or business units within the Group as determined by the ESS Committee, during such period as specified in the ESGP Award
Persons connected	Shall have the same meaning given in relation to persons connected with a Director or persons connected with a major shareholder as defined in paragraph 1.01 of the Listing Requirements
PSP	The performance share plan adopted or to be adopted by the Company under the ESGP, as may be modified or altered from time to time by the ESS Committee
PSP Grant	A grant of Shares made in writing by the ESS Committee from time to time to an Eligible Person under the PSP
RSP	The restricted share plan adopted or to be adopted by the Company under the ESGP, as may be modified or altered from time to time by the ESS Committee
RSP Grant	A grant of Shares made in writing by the ESS Committee from time to time to an Eligible Person under the RSP
Rules of Bursa Depository	The rules of Bursa Depository, as issued pursuant to SICDA
SC	Securities Commission Malaysia
Shares	Ordinary shares in the relevant ordinary share capital of the Company from time to time
SICDA	Securities Industry (Central Depositories) Act 1991, as amended from time to time
Vesting Conditions	The conditions determined by the ESS Committee and stipulated in the ESS Award which must be fulfilled for the Options under an ESOS Offer or the Shares under an ESGP Award to be vested in a Grantee
Vesting Date(s)	The date or dates on which all or some of the Shares to which an ESS Award relates is vested pursuant to the ESS Award stipulated by the ESS Committee
Vesting Notice	Has the meaning ascribed to it in By-Law 13.3
3.2	Headings are for ease of reference only and do not affect the meaning of a By-Law.

APPENDIX I – DRAFT BY-LAWS (CONT'D)

- 3.3 Any reference to a statutory provision or an applicable law shall include a reference to:
- (a) any and all subsidiary legislation made from time to time under that provision or law;
 - (b) any and all Listing Requirements, policies and/or guidelines of Bursa Securities and/or Bank Negara Malaysia and/or the SC (in each case, whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the reasonable commercial practice of persons to whom such requirements, policies and/or guidelines are addressed by Bursa Securities and/or Bank Negara Malaysia and/or the SC);
 - (c) that provision as from time to time modified or re-enacted, whether before or after the date of these By-Laws, so far as such modification or re-enactment applies or is capable of applying to any ESGP Award or ESOS Offer (as may be applicable) made, offered and/or accepted within the Duration of the Scheme; and
 - (d) any past statutory provision (as from time to time modified or re-enacted) which such provision has directly or indirectly replaced.
- 3.4 Words importing the masculine gender shall include the feminine and neuter genders.
- 3.5 Words importing the singular number shall include the plural number and vice versa.
- 3.6 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 Date of Expiry then the stipulated day shall be taken to be the last Market Day of the Duration of the Scheme.
- 3.7 Any liberty or power or discretion which may be exercised, and/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 discretion and the Board shall not be under any obligation to give any reasons therefor;
 - (b) by the ESS Committee may be exercised in the ESS Committee's sole discretion and the ESS Committee shall not be under any obligation to give any reason therefor, but subject always to the Board's power to overrule any decision of the ESS Committee.
- 3.8 In the event of any change in the name of the Company from its present name, all reference to "Scanwolf Corporation 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.

PART II

4. MAXIMUM NUMBER OF SHARES AVAILABLE UNDER THE SCHEME

- 4.1 The aggregate maximum number of Shares which may be made available under the Scheme and all other employee share schemes of the Company which may still be subsisting, if any (whether in the form of new Shares to be issued under the Scheme or the aggregate number of new Shares together with existing Shares made available for the purposes of the Scheme), shall not in aggregate exceed fifteen percent (15%) of the total number of issued share capital of the Company (excluding treasury shares, if any) at any point of time during the Duration of the Scheme as provided in By-Law 25.1.

- 4.2 Notwithstanding By-Law 4.1 above nor any other provision herein contained, in the event the maximum number of Shares granted under the Scheme exceeds in aggregate fifteen percent (15%) of the total number of issued share capital of the Company (excluding treasury shares, if any) as a result of the Company purchasing or cancelling its own Shares pursuant to Section 127 of the Act or the Company undertaking any corporate proposal and thereby diminishing the issued share capital of the Company, then such ESS Awards granted prior to the adjustment of the issued share capital (excluding treasury shares, if any) of the Company shall remain valid and exercisable in accordance with these By-Laws. However, in such a situation, the ESS Committee shall not make any further ESS Awards unless the total number of Shares to be issued under the Scheme falls below fifteen percent (15%) of the total number of issued share capital of the Company (excluding treasury shares, if any) at any point of time during the Duration of the Scheme as provided in By-Law 25.1.

5. ELIGIBILITY

- 5.1 Only Eligible Persons who fulfil the following conditions on the date on which an offer is made in writing by the ESS Committee to such persons to participate in the Scheme shall be eligible to participate in the Scheme:
- (a) In respect of an Employee, the Employee must fulfil the following criteria as at the Award Date:
 - (i) he/she is at least eighteen (18) years of age on the Award Date and is not an undischarged bankrupt nor subject to any bankruptcy proceedings; and
 - (ii) he/she is employed on a full-time basis by, and is on the payroll of, any company in the Group and his/her employment has been confirmed by any company in the Group; or
 - (iii) he/she is under an employment contract for a fixed duration and has been in the employment of any company in the Group for such period as may be determined by the ESS Committee; or
 - (iv) such Employee falls within any other eligibility criteria (including variations to the eligibility criteria under By-Laws 5.1(a)(i) and 5.1(a)(ii) above) that may be determined by the ESS Committee from time to time at its sole discretion, whose decision shall be final and binding.
 - (b) In respect of a Director, the Director must fulfil the following criteria as at the Award Date:
 - (i) he/she is at least eighteen (18) years of age on the Award Date and is not an undischarged bankrupt nor subject to any bankruptcy proceedings; and
 - (ii) he/she has been appointed as a Director of the Company or any other company in the Group; or
 - (iii) such Director falls within any other eligibility criteria (including variations to the eligibility criteria under By-Laws 5.1(b)(i) and 5.1(b)(ii) above) that may be determined by the ESS Committee from time to time at its sole discretion, whose decision shall be final and binding; and

- (iv) specific allocation of ESS Awards to a Director of the Company under the Scheme must have been approved by the shareholders of Scanwolf in a general meeting and is not prohibited or disallowed by the relevant authorities or laws from participating in the Scheme.
- (c) In respect of a Director, chief executive officer, major shareholders of the Company or a person connected with a Director, chief executive officer or major shareholder, the specific allocation of ESS Awards granted under the Scheme must have been approved by the shareholders of the Company at a general meeting.
- (d) For both the RSP and the PSP, in addition to the criteria referred to in paragraphs (a) and (b) above, such Employee or Director shall hold a management rank or position in the Scanwolf Group, or such rank or position as may be designated by the ESS Committee from time to time as at the Award Date.
- (e) If the Eligible Person is employed by a company which is acquired by the Group during the Duration of the Scheme and becomes a subsidiary whether directly or indirectly held by the Company upon such acquisition, the Eligible Person must fulfil the following as at the Award Date:
 - (i) he/she is at least eighteen (18) years of age; and
 - (ii) he/she is employed full time by and on the payroll of the newly acquired company and his/her employment has been confirmed by the newly acquired company and he/she has been an employee of any company in the Group.
- (f) The Eligible Person must fulfil any other criteria and/or fall within such category/designation of employment as may be determined by the ESS Committee from time to time.

Except as may be prescribed by the ESS Committee or as stipulated in an ESOS Offer, there are no performance targets to be achieved by the Grantee before ESOS Options can be exercised and the Shares arising from the exercise of ESOS Options can be vested.

For the avoidance of doubt, an Employee who attains the prescribed retirement age but is offered to continue to serve the Group on a full time basis shall be treated as an employee of the Group.

- 5.2 Without prejudice to the generality of the foregoing and subject to the ESS Committee's discretion otherwise, any ESS Award made by the ESS Committee shall become void, of no effect and cease to be capable of acceptance by Eligible Persons upon any of the following events occurring:

- (a) the death of the Eligible Person selected by the ESS Committee to whom an ESS Award is made ("**Selected Person**");
- (b) the Selected Person having received a letter of termination or ceasing to be an employee of the Scanwolf Group, for any reason whatsoever;
- (c) the Selected Person giving notice of his/her resignation from service/employment;
- (d) the corporation which employs the Selected Person ceasing to be part of the Scanwolf Group; or

- (e) without prejudice to the provisions of By-Law 17.10, the Selected Person is subject to Disciplinary Proceedings and the employment of the Selected Person is terminated.
- 5.3 The ESS Committee may from time to time at its discretion select and identify suitable Eligible Persons to be offered the ESS Awards. In the event that any Eligible Persons are a member of the ESS Committee, such Eligible Persons shall not participate in the deliberation or discussion of their own allocation of ESS Awards.
- 5.4 Any eligible Employee (including a Director) who holds more than one (1) position within the Scanwolf Group and by holding such position is an Eligible Person, shall only be entitled to the Maximum Allowable Allotment of any one (1) category/designation of employment. The ESS Committee shall be entitled at its discretion to determine the applicable category/designation of employment.
- 5.5 An Eligible Person of a dormant company within the Group is not eligible to participate in the Scheme.
- 5.6 Eligibility under the Scheme does not confer upon the Eligible Person a claim or right to participate in or any rights whatsoever under the Scheme and an Eligible Person does not acquire or have any rights over or in connection with the ESS Awards unless an ESS Award has been made by the ESS Committee to the Eligible Person and the Eligible Person has accepted the ESS Award in accordance with By-Law 8 hereof.

6. BASIS OF ALLOTMENT AND MAXIMUM ALLOWABLE ALLOCATION OF SHARES

- 6.1 Subject to By-Law 4.1 and any adjustments which may be made under By-Law 21, the aggregate maximum number of Shares that may be allocated to any one (1) category/designation of employment of the Eligible Person shall be determined entirely at the sole and absolute discretion of the ESS Committee.
- 6.2 Not more than ten percent (10%) of the aggregate number of Shares to be issued under the Scheme and any other employee share scheme of the Company which may still be subsisting at the point in time when an ESS Award is offered shall be allocated to any individual Eligible Person who, either singly or collectively through persons connected with the Eligible Person, holds twenty percent (20%) or more of the issued share capital of the Company (excluding treasury shares, if any). Further, not more than 70% of the Shares available under the Scheme shall be allocated to the Directors and/or senior management of the Group (excluding dormant subsidiaries) who are Eligible Persons.
- 6.3 Subject to By-Law 6.2, the aggregate maximum number of Shares that may be offered to an Eligible Person under the Scheme shall be determined at the sole discretion of the ESS Committee after taking into consideration, amongst others, the provisions of the Listing Requirements or other applicable regulatory requirements prevailing during the Duration of the Scheme relating to employees' and/or directors' share issuance schemes and after taking into consideration the performance, targets, position, annual appraised performance, seniority and length of service, contribution, category or grade of employment of the Eligible Person or such other matters which the ESS Committee may in its sole discretion deem fit.

At the time an ESS Award is offered, the ESS Committee shall set out the basis of the allocation of the ESS Award(s) made to the Eligible Person(s) having the further particulars as set out in By-Law 7.4 and/or By-Law 11.3 (as the case may be).

APPENDIX I – DRAFT BY-LAWS (CONT'D)

- 6.4 The ESS Committee may make more than one (1) ESS Award to an Eligible Person **PROVIDED THAT** the aggregate number of ESS Awards so offered to an Eligible Person throughout the entire Duration of the Scheme does not exceed the Maximum Allowable Allotment of such Eligible Person.
- 6.5 The Company shall ensure that allocation of Shares pursuant to the Scheme is verified by the Audit Committee of the Company at the end of each financial year as being in compliance with the criteria for allocation of Shares which have been disclosed to the Employees and Directors.
- 6.6 For the avoidance of doubt, the ESS Committee shall have sole discretion in determining whether the Shares available for vesting under this Scheme are to be offered to the Grantees via:
- (a) one (1) single ESS Award at a time determined by the ESS Committee; or
 - (b) several ESS Awards, where the vesting of Shares comprised in those ESS Awards is staggered or made in several tranches at such times and on terms determined by the ESS Committee.
- 6.7 In the event the ESS Committee decides that the ESS Award is to be staggered, the number of Shares to be offered in each ESS Award and the timing for the vesting of the same shall be decided by the ESS Committee at its sole discretion and each ESS Award shall be separate and independent from the others.
- 6.8 No Director or Employee shall participate in the deliberation and discussion of their own respective allocations.

PART III

7. ESOS OFFER

- 7.1 During the Duration of the Scheme, the ESS Committee may at its discretion at any time from the Effective Date and from time to time make an ESOS Offer in writing for acceptance in accordance with this By-Law 7 to an Eligible Person based on the criteria for allotment as set out in By-Law 6 above and otherwise in accordance with the terms of this Scheme.
- 7.2 The actual number of ESOS Options which may be offered to any Eligible Person shall be at the discretion of the ESS Committee, subject to any adjustments that may be made under By-Law 21, provided that the number of ESOS Options so offered which may be exercised in respect of all or any part of the Shares shall not be less than one hundred (100) Shares nor more than the Maximum Allowable Allocation of such Eligible Person and shall be in multiples of one hundred (100) Shares.
- 7.3 In the event the ESS Committee decides that the Offer is to be offered in tranches, the number of ESOS Options to be offered in each ESOS Offer shall be decided by the ESS Committee at its sole discretion and each ESOS Offer shall be separate and independent from the others.

APPENDIX I – DRAFT BY-LAWS (CONT'D)

- 7.4 The ESS Committee shall determine at its discretion and state the following particulars in the letter of an ESOS Offer:
- (a) The number of ESOS Options that are being offered to the Eligible Person;
 - (b) The number of Shares which the Eligible Person shall be entitled to subscribe for upon the exercise of the ESOS Options being offered;
 - (c) The date of the ESOS Award;
 - (d) The Option Period;
 - (e) The Exercise Price;
 - (f) The Vesting Conditions (if any/if applicable);
 - (g) The Vesting Date(s) (if any/if applicable);
 - (h) The Offer Period;
 - (i) The basis of the allocation of the ESOS Award(s) made having regard to the Eligible Person(s)' annual appraised performance, category or grade of employment, Maximum Allowable Allocation and such other information that the ESS Committee may in its sole discretion deem fit;
 - (j) The retention period and/or restriction on transfer, if any/applicable for the Shares to be allotted and issued and/or transferred to a Grantee pursuant to the exercise of an Option;
 - (k) The manner and conditions of exercise of the ESOS Options; and
 - (l) Any other information deemed necessary by the ESS Committee.
- 7.5 An ESOS Offer shall be valid during the Offer Period.
- 7.6 No ESOS Offer shall be made to any Director and/or major shareholder of Scanwolf, a person connected with any Director and/or major shareholder who are Eligible Persons unless such ESOS Offer and the related allotment of Shares have previously been approved by the shareholders of the Company in a general meeting.
- 7.7 Without prejudice to By-Law 28, in the event of an error on the part of the Company in stating any of the particulars referred to in By-Law 7.4, the following provisions shall apply:
- (a) As soon as possible but in any event no later than one (1) month after the discovery of the error, the Company shall issue a supplemental letter of ESOS Offer, stating the correct particulars referred to in By-Law 7.4;
 - (b) In the event that the error relates to particulars other than the Exercise Price, the Exercise Price applicable in the supplemental letter of ESOS Offer shall remain as the Exercise Price as per the original letter of ESOS Offer; and
 - (c) In the event that the error relates to the Exercise Price, the Exercise Price applicable in the supplemental letter of ESOS Offer shall be the Exercise Price applicable as at the date of the original letter of ESOS Offer, save and except with respect to any ESOS Options which have already been exercised as at the date of issue of the supplemental letter of ESOS Offer.

8. ACCEPTANCE OF ESOS OPTIONS AND VESTING CONDITIONS

- 8.1 An ESOS Offer shall be accepted by an Eligible Person within the Offer Period by written notice to the Company accompanied by a payment to the Company of a nominal non-refundable consideration of Ringgit Malaysia One (RM1.00) only or such other amount as may be determined by the ESS Committee for the grant of the ESOS Options (regardless of the number of Shares comprised therein).
- 8.2 If an ESOS Offer is not accepted in the manner set out in By-Law 8.1 above, the ESOS Offer shall automatically lapse upon the expiry of the Offer Period and be null and void and be of no further force and effect. The Shares comprised in such Options may, at the discretion of the ESS Committee, be re-offered to other Eligible Persons.
- 8.3 The number of ESOS Options offered in the lapsed ESOS Offer shall be deducted from the Maximum Allowable Allotment or the balance of the Maximum Allowable Allotment of the Eligible Person, and the Eligible Person shall not be entitled to be offered the number of ESOS Options offered in the lapsed ESOS Offer, in any ESOS Offer made in the future. However, ESOS Options not taken up resulting from the non-acceptance of ESOS Offer within the Offer Period shall thereafter form part of the balance of ESOS Options available under the ESOS for any future ESOS Offer.
- 8.4 The Company shall within thirty (30) days from the acceptance of the ESOS Offer by the Eligible Person ("**Acceptance Date**"), issue to the Eligible Person an Option Certificate in such form as may be determined by the ESS Committee.
- 8.5 The Options or such part thereof as may be satisfied in the ESOS Offer will only vest with the ESOS Grantee on the ESOS Vesting Date if the Vesting Conditions are fully and duly satisfied, including the following:
- (a) the ESOS Grantee remains an Eligible Person and shall not have given notice of resignation or received a notice of termination as at the ESOS Vesting Date or has otherwise ceased or had his/her employment terminated;
 - (b) the ESOS Grantee has not been adjudicated a bankrupt; and/or
 - (c) any other conditions which are determined by the ESS Committee.
- 8.6 The ESS Committee shall have full discretion to determine whether any Vesting Condition has been satisfied (whether fully or partially) or exceeded and in making any such determination, the ESS Committee shall have the right to make reference to, amongst others, the audited financial results of the Company or the Group (as the case may be) and to take into account such factors as the ESS Committee may determine to be relevant, such as changes in accounting methods, taxes and extraordinary events, and further, the right to amend and/or waive any Vesting Condition if the ESS Committee decides that a changed performance target would be a fairer measure of performance.
- 8.7 The ESS Committee may cancel any ESOS Options awarded under this Scheme that has not been exercised and any unvested ESOS Options awarded under this Scheme. In the event of any such cancellation, the ESS Committee may, at its discretion, authorise the granting of new ESOS Options (which may or may not cover the same number of Shares that had been the subject of any prior ESOS Option) in such manner, at such Exercise Price and subject to such terms, conditions and discretion as would have been applicable under this Scheme had the cancelled ESOS Options not been awarded.

9. EXERCISE OF ESOS OPTIONS

- 9.1 Each ESOS Option shall be exercisable into one (1) new Share, fully issued and paid-up, in accordance with the provisions of these By-Laws.
- 9.2 Subject to By-Laws 17, 22, 23, 24 and 25, an ESOS Grantee shall be allowed to exercise the ESOS Options granted to him/her (subject to By-Law 9.4) during the Duration of the Scheme as provided in these By-Laws whilst he/she is in the employment of the Scanwolf Group and within the Option Period.
- 9.3 An ESOS Grantee shall exercise the Options granted to him/her in whole or part in multiples of one hundred (100) Shares constituting one (1) board lot. Notwithstanding anything herein to the contrary in the event of any alteration in the share capital of the Company during the Option Period in accordance with By-Law 21 which result in the number of Shares comprised in an Option not being in multiples of not less than one hundred (100), then the requirement that an Option shall be exercised in multiples of not less than one hundred (100) Shares shall not be applicable for the ESOS Grantee's final exercise of the Option.
- 9.4 An ESOS Grantee shall exercise his/her ESOS Options in such form and manner as the ESS Committee may prescribe or approve ("**Notice of Exercise**"), which will be attached to the letter of ESOS Offer. The procedure for the exercise of ESOS Options to be complied with by an ESOS Grantee shall be determined by the ESS Committee from time to time. Any ESOS Options which remain unexercised at the expiry of the Option Period shall be automatically terminated and lapse without any claim against the Company.
- 9.5 Subject to By-Law 9.4, a Grantee shall exercise his/her ESOS Options by executing and delivering to the Company the Notice of Exercise, stating the number of ESOS Options to be subscribed and be accompanied with the remittance for the full amount of the subscription monies payable in respect thereof in Ringgit Malaysia in the form of a banker's draft or cashier's order drawn and payable in Malaysia or any other mode acceptable to the ESS Committee for the full amount of the Exercise Price in relation to the number of Shares in respect of which the notice is given **PROVIDED THAT** the number of Shares stated therein shall not exceed the amount granted to such ESOS Grantees and be subject to By-Laws 9.2 and 9.3 above. The ESS Committee may pursuant to By-Law 27 hereof, at any time and from time to time, before or after the ESOS Option is granted, limit the exercise of the ESOS Option to a maximum number of Shares and/or such percentage of total Shares comprised in the ESOS Option during such periods within the Option Period and impose any other terms and/or conditions deemed appropriate by the ESS Committee in its sole discretion including amending or varying any terms and conditions imposed earlier. The exercise by a Grantee of some but not all of the ESOS Options which have been offered to and accepted by him/her shall not preclude the Grantee from subsequently exercising any other ESOS Options which have been or will be offered to and accepted by him/her, during the Option Period.
- 9.6 The ESOS Grantee shall provide all information as required in the Notice of Exercise. Within eight (8) Market Days of the receipt by the Company of such notice and payment, or such other period as may be prescribed by Bursa Securities, and subject to the Constitution/Articles of Association of the Company, in the event that the Shares are delivered to the ESOS Grantee via issuance of new Shares, the Company shall allot and issue the relevant number of Shares to the ESOS Grantee and apply to Bursa Securities for the quotation for such new Shares arising from the exercise of the ESOS Options. The said Shares will be credited directly into the CDS Account of the ESOS Grantee or his/her financier, as the case may be, and a notice of allotment stating the number of Shares so credited will be issued to the ESOS Grantee. No physical share certificates will be issued to the ESOS Grantee or his authorised nominee (as the case may be).

- 9.7 The Group, the Board (including Directors that had resigned but were on the Board during the Option Period) and the ESS Committee shall not under any circumstances be held liable to any person for any costs, losses, expenses, damages or liabilities, gains or profits foregone, howsoever arising in the event of any delay on the part of the Company in allotting and issuing and/or transferring the Shares or in procuring Bursa Securities to list and quote the Shares subscribed for by a Grantee or any delay in receipt or non-receipt by the Company of the Notice of Exercise in respect of the ESOS Options or for any errors in any ESOS Offer.
- 9.8 Any failure to comply with the procedures specified by the ESS Committee or to provide information as required by the Company in the Notice of Exercise or inaccuracy in the CDS Account number provided shall result in the Notice of Exercise being rejected at the discretion of the ESS Committee, and the ESS Committee shall inform the Grantee of the rejection of the Notice of Exercise within fourteen (14) Market Days from the date of rejection and the Grantee shall be deemed to not have exercised his/her Option.
- 9.9 Every ESS Award shall be subjected to the condition that no new Shares shall be issued pursuant to the ESS Award if such issue would be contrary to any law, enactment, rule and/or regulation of any legislative or non-legislative body which may be in force during the Duration of the Scheme or such period as may be extended.

10. EXERCISE PRICE

The Exercise Price of each new Share comprised in any ESOS Option shall, subject always to the provisions of By-Law 21 hereof, be as follows:

- (a) a price to be determined by the Board upon recommendation of the ESS Committee based on the volume weighted average market price of the Shares for the five (5) Market Days immediately preceding date of the ESOS Offer with a discount of not more than ten percent (10%) or such other percentage of discount as may be permitted by Bursa Securities or any other relevant authorities from time to time during the Duration of the Scheme; and
- (b) the Exercise Price as determined by the ESS Committee shall be conclusive and binding on the Grantees and shall be subject to any adjustments in accordance with By-Law 21.

PART IV

11. ESGP AWARD

- 11.1 The ESS Committee may, within the Duration of the Scheme, at its discretion at any time from the Effective Date and from time to time make an ESGP Award in writing for acceptance in accordance with By-Law 12 below to any Eligible Persons based on the criteria for allocation as set out in By-Law 5 and otherwise in accordance with the terms of these By-Laws.
- 11.2 The actual number of Shares which may be awarded to an Eligible Person shall be at the discretion of the ESS Committee subject to any adjustments that may be made under By-Law 21 but shall not be more than the Maximum Allowable Allotment as set out in By-Law 4.1. The ESS Committee may stipulate any terms and conditions it deems appropriate in an ESGP Award and the terms and conditions of each ESGP Award may differ. Nothing herein shall require any ESGP Award offered to be the same as ESGP Awards previously or subsequently offered whether to the same or a different Eligible Person.

APPENDIX I – DRAFT BY-LAWS (CONT'D)

- 11.3 (a) The ESS Committee will determine at its discretion and state in its offer document for an ESGP Award to an Eligible Person (“**ESGP Award Letter**”), amongst others:
- (i) whether the ESGP Award is a PSP Grant and/or RSP Grant;
 - (ii) the number of Shares to be vested on the Vesting Date(s) if the Performance Targets are fully met;
 - (iii) the date of ESGP Award;
 - (iv) the Vesting Conditions;
 - (v) the Vesting Date(s);
 - (vi) the Validity Period as mentioned in By-Law 11.3(b);
 - (vii) the basis of allocation of the ESGP Award(s) made having regard to the Eligible Person(s)’ annual appraised performance, category or grade of employment, Maximum Allowable Allocation;
 - (viii) the retention period and/or restriction on transfer, if any/applicable, for the Shares to be allotted and issued and/or transferred to a Grantee pursuant to the vesting of the ESGP Award; and
 - (ix) any other information deemed necessary by the ESS Committee.
- (b) An ESGP Award shall be valid for acceptance for a period of thirty (30) calendar days from the Award Date or such longer period as may be determined by the ESS Committee at its discretion determines on a case to case basis (“**Validity Period**”).
- 11.4 Without prejudice to By-Law 28, in the event of an error on the part of the Company in stating any of the particulars referred to in By-Law 11.3, the Company shall as soon as possible issue a supplemental ESGP Award Letter stating the correct particulars referred to in By-Law 11.3.

12. ACCEPTANCE OF ESGP AWARD

- 12.1 An ESGP Award shall be accepted by an Eligible Person within the Validity Period by written notice to the Company accompanied by a payment to the Company of a nominal non-refundable consideration of Ringgit Malaysia One (RM1.00) only or such other amount as may be determined by the ESS Committee for the grant of the ESGP Award (regardless of the number of Shares comprised therein).
- 12.2 If the ESGP Award is not accepted in the manner set out in By-Law 12.1 above, the ESGP Award shall automatically lapse upon the expiry of the Validity Period and be null and void and be of no further force and effect. The Shares comprised in such ESGP Award may, at the discretion of the ESS Committee, be re-offered to other Eligible Persons.

- 12.3 The number of Shares offered in the lapsed ESGP Award shall be deducted from the Maximum Allowable Allotment or the balance of the Maximum Allowable Allotment of the Eligible Person, and the Eligible Person shall not be entitled to be offered the number of ESGP Awards offered in the lapsed ESGP Award, in any ESGP Award made in the future. However, ESGP Awards not taken up resulting from the non-acceptance of ESGP Awards within the period specified shall thereafter form part of the balance of ESGP Awards available under the ESGP for future awards.
- 12.4 The Eligible Persons are not required to pay for the Shares they are entitled to receive upon vesting of the Shares pursuant to the ESGP Award.

13. ESGP VESTING CONDITIONS AND SATISFACTION OF VESTING CONDITIONS

- 13.1 The ESS Committee shall, as and when it deems practicable and necessary, review and determine at its own discretion the Vesting Conditions specified in respect of an ESGP Award. The Shares or such part thereof as may be specified in an ESGP Award will only vest with the Grantee on the Vesting Date(s) if the Vesting Conditions are fully and duly satisfied, which includes, amongst others, the following:
- (a) the ESGP Grantee must remain an Employee as at the Vesting Date and shall not have given a notice to resign or received a notice of termination as at the Vesting Date;
 - (b) the ESGP Grantee has not been adjudicated a bankrupt;
 - (c) Performance Targets are fully and duly satisfied; and/or
 - (d) any other conditions which are determined by the ESS Committee.
- 13.2 The ESS Committee shall have full discretion to determine whether the Performance Targets have been fully and duly satisfied. In the event that the ESS Committee determines that the Performance Targets are not fully and duly satisfied, the Company may, at its discretion, adjust the number of Shares (if any) which may vest in the ESGP Grantee on the Vesting Date(s) and/or take into account the shortfall in such manner as the Company may in its discretion otherwise deem fit.
- 13.3 Where the ESS Committee has determined that the Vesting Conditions have been fully and duly satisfied, the ESS Committee shall notify the ESGP Grantee of the number of Shares vested or which will be vested in him/her on the Vesting Date ("**Vesting Notice**").
- 13.4 No ESGP Grantee shall have any right to or interest in the Share awarded to him/her under an ESGP Award until and unless the Shares are vested in him/her on and with effect from the Vesting Date.
- 13.5 The ESGP Grantee shall provide all information as required in the Vesting Notice and the ESGP Award Letter respectively and the Company shall within eight (8) Market Days after the Vesting Date or such other period as may be prescribed or allowed by Bursa Securities, and subject to the provisions of the Constitution/Articles of Association of the Company, the SICDA and the Rules of Bursa Depository, allot and issue the relevant number of new Shares and/or transfer the relevant number of existing Shares to the ESGP Grantee(s) accordingly and apply to Bursa Securities for any new Shares arising from the vesting of an ESGP Award. The Shares to be issued pursuant to the vesting of an ESGP Award will be credited directly into the CDS Account and no physical share certificates will be delivered to the ESGP Grantee or his authorised nominee (as the case may be).

PART V

14. NON-TRANSFERABILITY

- 14.1 An ESS Award is personal to the Grantee and subject to the provisions of By-Laws 14.2, 14.3 and 17.3, is exercisable only by the Grantee personally during his/her lifetime whilst he/she is in the employment of any company in the Group.
- 14.2 An ESS Award shall not be transferred, assigned, disposed of or subject to any encumbrances by the Grantee save and except in the event of the death of the Grantee as provided under By-Law 17.8. Any such attempt to transfer, assign, dispose or encumber any ESS Award shall result in the automatic cancellation of the ESS Award.
- 14.3 Notwithstanding this By-Law 14, in the event a Grantee is transferred to another company within the Group which has its own share issuance scheme, the Grantee shall be entitled to continue to exercise all unexercised ESS Awards granted under this Scheme, in accordance with these By-Laws, but such Grantee shall not upon such transfer taking effect be eligible to participate for further ESS Awards under the Scheme.

15. RIGHTS ATTACHING TO SHARES AND ESS AWARDS

- 15.1 The new Shares to be allotted and issued upon the exercise of any ESOS Options granted or vesting of any ESGP Awards under the Scheme will be subject to the provisions of the Constitution/Articles of Association of the Company and will, upon allotment and issuance, rank *pari passu* in all respects with the then existing issued Shares of the Company, save and except that the Shares so allotted and issued will not be entitled to any dividends, rights, allotments or other distributions, which may be declared, made or paid to shareholders, the Entitlement Date of which is prior to the date of allotment and issuance of such new Shares.
- 15.2 In respect of existing Shares to be transferred to PSP Grantees and RSP Grantees (where applicable), such Shares will not be entitled to any dividends, rights, allotments and/or other distributions, which may be declared, made or paid to shareholders, the Entitlement Date of which is prior to the date on which the existing Shares are credited into the CDS Accounts of the respective PSP Grantees and RSP Grantees pursuant to the vesting of the ESGP Awards.
- 15.3 The ESS Awards shall not carry any rights to vote at any general meeting of the Company. For the avoidance of doubt, a Grantee shall not in any event be entitled to any dividends, rights or other entitlements on his/her unexercised Options and/or unvested Shares.

16. RESTRICTION ON DEALING/RETENTION PERIOD

- 16.1 The Shares to be allotted and issued and/or transferred to a Grantee pursuant to the exercise of an Option or vesting of an ESGP Award under the Scheme may be subject to such reasonable retention period or restriction on transfer (if any/applicable) imposed/determined by the ESS Committee at its discretion, which may be stipulated in the ESGP Award Letter. The Company encourages Grantees to hold the Shares subscribed for by them for as long as possible although a Grantee or his/her financier, as the case may be, may sell the Shares subscribed for by the Grantee at any time after such Shares have been credited to the Grantee's or his/her financier's CDS Account. A Grantee should note that the Shares are intended for him/her to hold as an investment rather than for any speculative purposes and/or for the realisation of any immediate gain.

17. TERMINATION OF THE ESS AWARDS

17.1 Prior to the full vesting of any ESS Award and/or the allotment or satisfaction by any other means of an ESS Award in the manner as provided for under By-Law 28.2, such ESS Awards that remain unvested or unexercised or unsatisfied (as the case may be) shall be automatically terminated and cease or deemed to cease to be valid without any claim against the Group in the following circumstances:

- (a) Termination or cessation of employment of the Grantee with the Group for any reason whatsoever, in which event the ESS Awards shall be automatically terminated and cease or be deemed to cease to be valid without any claim against the Company or any other member of the Group on the day the Grantee's employer accepts his/her notice of resignation or the Grantee's employer notifies the Grantee of termination of his/her employment or on the day the Grantee notifies his/her employer of his/her resignation or on the Grantee's last day of employment, whichever is the earlier; or
- (b) Bankruptcy of the Grantee, in which event the ESS Awards shall be automatically terminated and cease or be deemed to cease to be valid without any claim against the Group on the date a receiving order is made against the Grantee by a court of competent jurisdiction; or
- (c) Upon the happening of any other event which results in the Grantee being deprived of the beneficial ownership of the ESS Award, in which event the ESS Awards shall be automatically terminated and cease or be deemed to cease to be valid without any claim against the Group on the date such event occurs; or
- (d) Winding up or liquidation of the Company, in which event the ESS Awards shall be automatically terminated and/or cease to be valid on the following date:
 - (i) In the case of a voluntary winding up, the date on which a provisional liquidator is appointed by the Company; or
 - (ii) In the case of an involuntary winding up, the date on which a petition for winding up is served on the Company; or
- (e) Termination of the Scheme pursuant to By-Law 25.5, in which event the ESS Awards shall be automatically terminated and cease or cease to be valid without any claim against the Group on the Termination Date (as defined in By Law 25.5),

whichever shall be applicable.

Upon the termination of the ESS Awards pursuant to By-Laws 17.1(a), (b), (c), (d) or (e) above, the Grantee shall have no right to compensation or damages or any claim against the Company or any other member of the Group from any loss of any right or benefit or prospective right or benefit under the Scheme which he/she might otherwise have enjoyed, whether for wrongful dismissal or breach of contract or loss of office or otherwise howsoever arising from him/her ceasing to hold office or employment or from the suspension of his/her entitlement to the award of, acceptance or vesting of any ESS Award or right to exercise his/her ESOS Option(s) or his/her ESS Award ceasing to be valid.

APPENDIX I – DRAFT BY-LAWS (CONT'D)

- 17.2 A Grantee will be allowed to continue to hold and to exercise any unexercised Options held by him/her and/or unvested ESGP Award upon retirement on or after attaining normal retirement age for a period of two (2) years after the last day of his/her employment provided that the Options are exercised within the Option Period and/or the ESGP Award is vested within the Duration of the Scheme. For the avoidance of doubt, By-Law 9.2 shall not be applicable in this event but By-Law 9.5 shall remain applicable.
- 17.3 Notwithstanding By-Law 17.1 above, the ESS Committee may at its discretion allow an Option to remain exercisable during the Option Period and/or an ESGP Award to remain unvested (as the case may be) on such terms and conditions as it shall deem fit if the cessation of employment occurs as a result of:
- (a) Ill-health, injury, physical or mental disability; or
 - (b) Retirement before attaining the normal retirement age with the consent of his/her employer; or
 - (c) Redundancy or voluntary separation scheme; or
 - (d) Transfer to any company outside the Group at the direction of the Company; or
 - (e) Any other circumstance as may be deemed as acceptable to the ESS Committee in its sole discretion.
- 17.4 Applications under By-Law 17.3 shall be made:
- (a) in a case where By-Law 17.3(a) is applicable, within one (1) month after the Grantee notifies his/her employer of his/her resignation due to ill health, injury, physical or mental disability, the Grantee may exercise all his/her unexercised Options and/or be vested with such number of unvested Shares under the ESGP within the said one (1) month period. In the event that no application is received by the ESS Committee within the said period, any unexercised Options held by the Grantee or unvested Shares under the ESGP Award at the expiry of the said period shall be automatically terminated;
 - (b) in a case where By-Laws 17.3(b) or (c) is applicable, within six (6) months after the Grantee's last day of employment, the Grantee may exercise all his/her unexercised Options and/or be vested with such number of unvested Shares under the ESGP within the said six (6) months period. In the event that no application is received by the ESS Committee within the said period, any unexercised Options held by the Grantee and/or such number of unvested Shares under the ESGP (as the case may be) at the expiry of the said period shall be automatically terminated;
 - (c) in a case where By-Law 17.3(d) is applicable, the Grantee may exercise his/her unexercised Options and/or be vested with such number of unvested Shares under the ESGP (as the case may be) within one (1) month after he/she is notified, subject to the provisions of By-Law 9. Thereafter, any unexercised Option held by the Grantee and/or such number of unvested Shares under the ESGP at the expiry of the said period shall be automatically terminated.

- 17.5 In the event that a Grantee is notified that he will be retrenched or where he/she is given an offer by his/her employer as to whether he/she wishes to accept retrenchment upon certain terms, the Grantee may exercise his/her unexercised Options and/or be vested with such number of unvested Shares under the ESGP (as the case may be) within one (1) month after he/she receives such notice or accepts such offer, as the case may be, subject to the provisions of By-Law 9. Thereafter, any Option held by the Grantee and/or such number of unvested Shares under the ESGP at the expiry of the said period shall be automatically terminated.
- 17.6 The ESS Committee shall consider applications under By-Law 17.3 on a case-by-case basis and may at its discretion approve or reject any application in whole or in part without giving any reasons therefor and may impose any terms and conditions in granting an approval. The decision of the ESS Committee shall be final and binding. In the event that the ESS Committee approves an application in whole or in part, the Grantee may exercise the Options and/or be vested with the unvested Shares under the ESGP which are the subject of the approval within the period so approved by the ESS Committee and subject to the provisions of By-Law 9. Any Options and/or Shares in respect of which an application is rejected shall be automatically terminated on the date of termination stipulated in the relevant paragraph of By-Law 17.4 or on the date of the ESS Committee's decision, whichever is the later.
- 17.7 In the event that the ESS Committee receives an application under By-Law 17.3 after the expiry of the relevant period under By-Law 17.4, the ESS Committee shall take into account the reasons given by the Grantee for the delay in making the application, in exercising the ESS Committee's discretion and powers under By-Law 17.6. In the event that the ESS Committee approves the application in whole or in part, the Company shall make an ESOS Offer in respect of the unexercised Options and/or an ESGP Award Letter in respect of the unvested Shares which are the subject of approval to the Grantee and such Options offered and/or Shares awarded, if accepted by the Grantee shall be exercisable:
- (a) only within the period of those Options and/or unvested Shares under the ESGP which were terminated due to the Grantee's delay in making the application;
 - (b) in accordance with the provisions of By-Law 9 as applicable in respect of such terminated Options and/or ESGP Awards; and
 - (c) at the subscription price applicable in respect of such terminated Options.
- 17.8 In the event that a Grantee dies before the Date of Expiry and, at the date of death, holds any ESOS Options which are unexercised and/or any Shares under the ESGP which remain unvested, the following provisions shall apply:
- (a) Such ESOS Options and/or unvested Shares may be exercised and/or be vested by/in (as the case may be) the personal or legal representative of the deceased Grantee ("**Representative**") within twelve (12) months after the Grantee's death ("**Permitted Period**") or within the Date of Expiry, whichever expires first, subject to the approval of the ESS Committee;
 - (b) In the event that the Date of Expiry occurs before the Permitted Period, any Options which have not been exercised and/or Shares which have not been vested under the ESGP by the Representative at the Date of Expiry shall be automatically terminated and the Representative shall not be entitled to apply for any extension of time for exercising such unexercised Options and/or be vested with any unvested Shares under the ESGP;

- (c) In the event that the Permitted Period expires before the Date of Expiry, the following provisions shall apply:
 - (i) The Representative may, at any time before the expiry of the Permitted Period, apply in writing to the ESS Committee for an extension of the Permitted Period, stating the reasons as to why the extension is required. In the event no application is received by the ESS Committee before the expiry of the Permitted Period, any Options which have not been exercised and/or unvested Shares under the ESGP by the Representative at the expiry of the Permitted Period shall be automatically terminated.
 - (ii) The ESS Committee shall consider such applications on a case-by-case basis and may at its discretion approve or reject an application in whole or in part without giving any reasons therefor and may impose any terms and conditions in granting an approval. The decision of the ESS Committee shall be final and binding. In the event that the ESS Committee approves an application in whole or in part, the Representative may exercise the Options and/or be vested with such number of unvested Shares under the ESGP which are the subject of the approval within such extension of the Permitted Period as is approved (which shall not exceed the Date of Expiry) and in accordance with the provisions of By-Law 9.4. Any ESS Award in respect of which an application is rejected shall be automatically terminated at the expiry of the Permitted Period or on the date of the ESS Committee's decision, whichever is the later.
 - (iii) In the event that the ESS Committee receives an application after the expiry of the Permitted Period, the ESS Committee shall take into account the reasons given by the Representative for the delay in making the application, in exercising the ESS Committee's discretion and powers under sub-paragraph (ii) above. In the event that the ESS Committee approves an application in whole or in part, the Company shall make an ESOS Offer and/or ESGP Award in respect of the Options and/or unvested Shares which are the subject of the approval to the Representative and such Options and/or unvested Shares shall be exercisable/vested:
 - (1) within such period as may be stipulated in the ESOS Offer and/or ESGP Award which shall not exceed the Date of Expiry of those Options and/or Shares which were terminated pursuant to sub-paragraph (i) above;
 - (2) in accordance with the provisions of By-Law 9.4; and
 - (3) at the subscription price applicable in respect of the Options which were terminated pursuant to sub-paragraph (i) above.
- 17.9 The provisions of By-Law 17.7 and By-Law 17.8(c)(iii) constitute exceptions to the provisions of By-Law 5.1 and By-Law 10(a).

17.10 Notwithstanding anything to the contrary herein contained in these By-Laws, the ESS Committee shall have the right, at its discretion by notice in writing to that effect to the Grantee, to suspend the right of any Grantee who is being subjected to Disciplinary Proceedings (whether or not such Disciplinary Proceedings may give rise to a dismissal or termination of service of such Grantee or are found to have had no basis or justification) to exercise his/her ESOS Options and/or have Shares vested in him/her pending the outcome of such Disciplinary Proceedings. In addition to this right of suspension, the ESS Committee may impose such terms and conditions as the ESS Committee shall deem appropriate at its sole discretion, on the Grantee's right to exercise his/her ESOS Options and/or have Shares vested in him/her having regard to the nature of the charges made or brought against such Grantee, **PROVIDED ALWAYS** that:

- (a) in the event such Grantee is found not guilty of the charges which gave rise to such Disciplinary Proceedings, the ESS Committee shall reinstate the right of such Grantee to their ESS Award;
- (b) in the event the disciplinary proceedings result in a recommendation for the dismissal or termination of service of such Grantee, all unexercised and partially exercised ESOS Options of the Grantee and/or unvested Shares shall immediately lapse and be null and void and of no further force and effect, without notice to the Grantee, upon pronouncement of the dismissal or termination of service of such Grantee notwithstanding that such recommendation, dismissal and/or termination of service may be subsequently challenged or disputed by the Grantee in any other forum;
- (c) in the event the Grantee is found guilty but no dismissal or termination of service is recommended, the ESS Committee shall have the right to determine at its discretion whether or not the Grantee may continue to exercise his/her ESOS Options and/or have the Shares vested in him/her or any part thereof and if so, to impose such terms and conditions as it deems appropriate, on such exercise rights; and
- (d) in the event that no decision is made and/or Disciplinary Proceedings are not concluded prior to the Date of Expiry, the ESS Awards of such Grantee shall immediately lapse on the Date of Expiry without notice,

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

18. INSPECTION OF THE AUDITED FINANCIAL STATEMENTS

All Grantees shall be entitled to inspect a copy of the latest annual audited consolidated financial statements of the Company, which shall be made available on Bursa Securities' website as well as the Company's website.

19. SCHEME NOT A TERM OF EMPLOYMENT

This Scheme shall not confer or be construed to confer on an Eligible Person any special rights or privileges over the Eligible Person's terms and conditions of employment in the Group under which the Eligible Person is employed nor any rights additional to any compensation or damages that the Eligible Person may be normally entitled to arising from the cessation of such employment. The Scheme shall not form part of or constitute or be in any way construed as a term or condition of employment of any employee of the Group.

20. TAXES

For the avoidance of doubt, all other costs, fees, levies, charges and/or taxes (including, without limitation, income taxes) that are incurred by a Grantee pursuant to or relating to the exercise of any ESOS Options or vesting of any Share under the ESGP Award, and any holding or dealing of such Shares (such as (but not limited to) brokerage commissions and stamp duty) shall be borne by that Grantee for his own account and the Company shall not be liable for any one or more of such costs, fees, levies, charges and/or taxes.

PART VI**21. ALTERATION OF SHARE CAPITAL AND ADJUSTMENTS**

21.1 In the event of any alteration in the capital structure of the Company during the Duration of the Scheme, whether by way of rights issue, bonus issue or other capitalisation issue, consolidation or subdivision of Shares or reduction of capital or any other alteration in the capital structure of the Company or otherwise howsoever, the ESS Committee may, in its discretion, determine whether:

(a) In respect of the ESOS:

(i) the Exercise Price; and/or

(ii) the number of unexercised ESOS Options; and/or

(iii) the Exercise Price for the unexercised ESOS Options which is open for acceptance during the Offer Period;

(b) In respect of the ESGP:

(i) the number of Shares which are the subject of the ESGP Award to the extent not yet vested; and/or

(ii) the maximum number of existing Shares which may be delivered in settlement pursuant to the ESGP Awards,

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

APPENDIX I – DRAFT BY-LAWS (CONT'D)

- 21.2 The provisions of this By-Law 21.1 shall not be applicable where an alteration in the capital structure of the Company arises from any of the following:
- (a) An issue of Shares pursuant to the exercise of ESOS Options and/or vesting of ESGP Awards under the Scheme; or
 - (b) An issue of securities as consideration or part consideration for an acquisition of any other securities, assets or business; or
 - (c) An issue of securities as a private placement (including an issuance of securities pursuant to Sections 75 or 76 of the Act); or
 - (d) Any special issuance of new Shares or other securities to Bumiputera investors nominated by the Malaysian government and/or any other relevant authority of the Malaysian government to comply with the Malaysian government's policy on Bumiputera capital participation; or
 - (e) A restricted issue of securities; or
 - (f) An issue of warrants, convertible loan stocks or other instruments by the Company which give a right of conversion into new Shares arising from the conversion of such securities; or
 - (g) A purchase by the Company of its own Shares of all or a portion of such Shares purchased pursuant to Section 127 of the Act.
- 21.3 Save as expressly provided for herein, the external auditors or Adviser (acting as expert and not arbitrator) must confirm in writing that the adjustments other than on a bonus issue, subdivision or consolidation of shares are in their opinion fair and reasonable. The opinion of the external auditors or Adviser shall be final, binding and conclusive.
- 21.4 In the event that the Company enters into any scheme of arrangement or reconstruction pursuant to Part VII of the Act, By-Law 21.1 shall be applicable in respect of such part(s) of the scheme which involve(s) any alteration(s) in the capital structure of the Company to which By-Law 21.1 is applicable, but By-Law 21.1 shall not be applicable in respect of such part(s) of the scheme which involve(s) any alteration(s) in the capital structure of the Company to which By-Law 21.1 is not applicable as described in By-Law 21.2.
- 21.5 An adjustment pursuant to By-Law 21.1 shall be made according to the following terms:
- (a) In the case of a rights issue, bonus issue or other capitalisation issue, on the next Market Day immediately following the Entitlement Date in respect of such issue; or
 - (b) In the case of a consolidation or subdivision of Shares or reduction of capital, on the next Market Day immediately following the date of allotment of shares of the Company in respect of such consolidation, subdivision or reduction.

21.6 Upon any adjustment required to be made pursuant to this By-Law 21, the Company shall notify the Grantee (or his/her duly appointed personal representatives where applicable) in writing and deliver to him/her (or his/her duly appointed personal representatives where applicable) a statement setting forth:

- (a) In respect of the ESOS, the Option Price or number of ESOS Options which are the subject of the adjusted ESOS Award; and
- (b) In respect of the ESGP, the number of Shares comprised in the unvested ESGP Awards which are the subject of the adjusted ESGP Award.

Any adjustment shall take effect upon such written notification being given or such date as may be specified in such written notification.

21.7 In respect of the Options or the ESOS, any adjustment pursuant to this By-Law 21 shall be made in accordance with the following formula below, pursuant to By-Law 21.6:

(a) **Consolidation, Subdivision, Conversion or Reduction**

If and whenever Shares shall be consolidated, subdivided, converted or reduced, the Exercise Price and/or the additional number of Options to be issued shall be adjusted, calculated or determined after consultation with the external auditors or Adviser (acting as expert and not arbitrator) in such a manner as to give the Grantee a fair and reasonable entitlement after taking into consideration the nature and effect of the relevant alteration in the capital structure of the Company.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day immediately following the date on which the consolidation, subdivision, conversion or reduction becomes effective.

(b) **Capitalisation of Profits or Reserves**

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

$$\frac{A}{A+B} \times \text{Exercise Price} = \text{Adjusted Exercise Price}$$

and the additional number of Options to be issued shall be calculated as follows:

$$\text{Additional number of Options} = T \times \left(\frac{A+B}{A} \right) - T$$

Where:

A = the aggregate number of issued Shares immediately before such bonus issue or capitalisation issue;

B = the aggregate number of Shares to be issued pursuant to any allotment to ordinary shareholders of the Company by way of bonus issue or capitalisation of profits or reserves of the Company (whether of a capital or income nature); and

T = Number of existing Options held

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

(c) If and whenever the Company shall make:

- (1) a Capital Distribution (as defined below) to ordinary shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or
- (2) any offer or invitation to ordinary shareholders whereunder they may acquire or subscribe new Shares by way of rights; or
- (3) any offer or invitation to ordinary shareholders by way of rights whereunder they may acquire or subscribe for securities convertible into new Shares or securities with rights to acquire or subscribe for new Shares attached thereto, then and in respect of each such case, the Exercise Price for ESOS Options shall be adjusted by multiplying it by the following fraction:-

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

and in respect of the case referred to in By-Law 21.7(c)(2) hereof, the number of additional Options to be issued shall be calculated as follows:-

$$\text{Additional number of Options} = T \times \left(\frac{C}{C - D^*} \right) - T$$

Where:

T = T as in By-Law 21.7(b) above;

C = the prevailing market price of each Share on the Market Day immediately preceding the date on which the Capital Distribution or, as the case may be, the offer or invitation is publicly announced to Bursa Securities or (failing any such announcement) immediately preceding the date of the Capital Distribution or, as the case may be, of the offer or invitation or (where appropriate) any relevant date as may be determined by the Company; and

D = (aa) in the case of an offer or invitation to acquire or subscribe for new Shares under By-Law 21.7(c)(2) above or for securities convertible into Shares or securities with rights to acquire or subscribe for new Shares under By-Law 21.7(c)(3) above, the value of rights attributable to one (1) existing Share (as defined below); or

- (bb) in the case of any other transaction falling within By-Law 21.7(c) hereof, the fair market value as determined by the external auditors or Adviser of that portion of the Capital Distribution attributable to one (1) existing Share.

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

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

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

Where:

C = C as in By-Law 21.7(c) above;

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

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

D* = The “value of rights attributable to one (1) existing Shares” (as defined below).

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

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

Where:

C = C as in By-Law 21.7(c) above;

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

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

For the purpose of By-Law 21.7(c) hereof, “**Capital Distribution**” shall (without prejudice to the generality of that expression) include distributions in cash or specie or by way of issue of new Shares (not falling under By-Law 21.7(b) hereof) or other securities by way of capitalisation of profits or reserves of the Company (whether of a capital or income nature).

Any dividend charged or provided for in the audited financial statements of the Company for 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 as shown in the audited consolidated statement of comprehensive income of the Company for any period as shown in the audited consolidated profit and loss accounts of the Company.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day (or such other period as may be prescribed by Bursa Securities) immediately following the Entitlement Date for such issue or the closing date for the acceptance of the rights, as the case may be, for such issue.

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

If and whenever the Company makes any allotment to its ordinary shareholders as provided in By-Law 21.7(b) above and also makes any offer or invitation to its ordinary shareholders as provided in By-Law 21.7(c)(2) or (3) above and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the Exercise Price shall be adjusted by multiplying it by the following fraction:-

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

and where the Company makes any allotment to its ordinary shareholders as provided in By-Law 21.7(b) above and also makes any offer or invitation to its ordinary shareholders as provided in By-Law 21.7(c)(2) above and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the number of additional Options to be issued shall be calculated as follows:

$$\text{Additional number of Options} = T \times \left(\frac{(G + H^* + B) \times C}{(G \times C) + (H^* \times I^*)} \right) - T$$

Where:

B = B as in By-Law 21.7(b) above;

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

C = C as in By-Law 21.7(c) above;

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

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

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

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

T = T as in By-Law 21.7(b) above.

Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day (or such other period as may be prescribed by Bursa Securities) immediately following the Entitlement Date for such issue or the closing date for the acceptance of the rights, as the case may be, 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 Shares as provided in By-Law 21.7(c)(2) above together with an offer or invitation to acquire or subscribe for securities convertible into new Shares or securities with rights to acquire or subscribe for Shares as provided in By-Law 21.7(c)(3) above and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the Exercise Price shall be adjusted by multiplying it by the following fraction:-

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

and the number of additional Options to be issued shall be calculated as follows:-

$$\text{Additional number of Options} = T \times \left(\frac{(G + H^*) \times C}{(G \times C) + (H^* \times I^*)} \right) - T$$

Where:

G = A as in By-Law 21.7(d) above;

C = C as in By-Law 21.7(c) above;

H = H as in By-Law 21.7(d) above;

H* = H* as in By-Law 21.7(d) above;

I = I as in By-Law 21.7(d) above;

I* = I* as in By-Law 21.7(d) above;

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

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

T = T as in By-Law 21.7(b) above.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day immediately following the Entitlement Date for the above transactions or the closing date for the acceptance of the rights, as the case may be, for such issue.

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

If and whenever the Company makes an allotment to its ordinary shareholders as provided in By-Law 21.7(b) above and also makes an offer or invitation to acquire or subscribe for Shares to its ordinary shareholders as provided in By-Law 21.7(c)(2) above, together with rights to acquire or subscribe for securities convertible into new Shares or with rights to acquire or subscribe for Shares as provided in By-Law 21.7(c)(3) above, and the Entitlement Date for the purpose of allotment is also the Entitlement Date for the purpose of the offer or invitation, the Exercise Price shall be adjusted by multiplying it by the following fraction:-

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

and the number of additional Options to be issued shall be calculated as follows:

$$\text{Additional number of Options} = T \times \left[\frac{(G + H^* + B) \times C}{(G \times C) + (H^* \times I^*)} \right] - T$$

Where:

G = A as in By-Law 21.7(d) above;

C = C as in By-Law 21.7(c) above;

H = H as in By-Law 21.7(d) above;

H* = H* as in By-Law 21.7(d) above

I = I as in By-Law 21.7(d) above;

I* = I* as in By-Law 21.7(d) above

J = J as in By-Law 21.7(e) above;

T = T as in By-Law 21.7(b) above;

K = K as in By-Law 21.7(e) above; and

B = B as in By-Law 21.7(b) above.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day (or such other period as may be prescribed by Bursa) immediately following the Entitlement Date for the above transactions or the closing date for the acceptance of the rights, as the case may be, for such issue.

(g) **Others**

If and whenever (otherwise than pursuant to a rights issue available to all ordinary shareholders and requiring an adjustment under By-Laws 21.7(c)(2), 21.7(c)(3), 21.7(d), 21.7(e) or 21.7(f) above) the Company shall issue either any Shares or any security convertible into new Shares or with rights to acquire or subscribe for Shares, and in any such case, the Total Effective Consideration per Share (as defined below) is less than ninety percent (90%) of the Average Price for one (1) Share (as defined below) or, as the case may be, the price at which the Shares will be issued upon conversion of such securities or exercise of such rights is determined, the Exercise Price shall be adjusted by multiplying it by the following fraction:

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

Where:

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

For the purpose of this By-Law 21.7(g), “**Total Effective Consideration**” shall be determined by the ESS Committee with the concurrence of the external auditors or Adviser and shall be:-

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

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

For the purpose of By-Law 21.7(g), “**Average Price**” of a Share shall be the average market price of one (1) Share as derived from the last traded prices for one or more board lots of Shares as quoted on Bursa Securities on the Market Days comprised in the period used as a basis upon which the issue price of such Shares is determined.

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

- (h) For the purpose of By-Laws 21.7(c), (d), (e) and (f), the current market price in relation to one (1) existing Share for any relevant day shall be the average of the last traded prices for the five (5) consecutive Market Days before such date or during such other period as may be determined in accordance with any guidelines issued, from time to time, by the relevant authorities.
- 21.8 In respect of the ESGP, any adjustment pursuant to By-Law 21.1 shall be made in such a manner as to give the Grantee a fair and reasonable ESGP Award entitlement after taking into consideration the nature and effect of the relevant alteration in the capital structure of the Company.
- 21.9 If an event occurs that is not set out in By-Law 21.7 or if the application of any of the formula set out in By-Law 21.7 to an event results in a manifest error or does not, in the opinion of the ESS Committee, achieve for any reason whatsoever the desired result of preventing the dilution or enlargement of the Eligible Person's rights or providing a fair and reasonable entitlement, the ESS Committee may effect an adjustment in such manner deemed appropriate by the ESS Committee provided that the Eligible Persons shall be notified of the adjustment through an announcement to all Eligible Persons to be made in such manner deemed appropriate by the ESS Committee.
- 21.10 Notwithstanding the provisions of this By-Law, the ESS Committee may exercise its discretion to determine whether any adjustments to the Exercise Price, the number of Options and/or Shares (as the case may be) be calculated on a different basis or date or should take effect on a different date or that such adjustments be made to the Exercise Price and/or the number of Options notwithstanding that no such adjustment formula has been explicitly set out in this By-Law.
- 21.11 Any adjustment to the Exercise Price shall be rounded down to the nearest RM0.01.
- 21.12 In the event that a fraction of a Share arises from the adjustments pursuant to this By-Law 21, the number of Shares comprised in an ESOS Offer or ESGP Award shall automatically be rounded down to the nearest whole number.

22. TAKE-OVER OFFER, SCHEME OF ARRANGEMENT, AMALGAMATION, RECONSTRUCTION, ETC

In the event of:

- (a) a take-over offer being made for the Company through a general offer to acquire the whole of the issued share capital of the Company (or such part of the issued share capital not at the time owned by the person making the general 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 Shares under the provisions of any statutes, rules and/or regulations applicable at that point of time and gives notice to the Company that it intends to exercise such right on a specific date; or
- (c) the court sanctioning a compromise or arrangement between the Company and its members for the purpose of, or in connection with, a scheme of arrangement and reconstruction of the Company under Subdivision 2 of Division 7 of Part III of the Act or its amalgamation with any other company or companies under the Act,

then the ESS Committee may at its discretion to the extent permitted by law permit the vesting of the ESS Awards and the Grantee(s) will be entitled to, within such period to be determined by the ESS Committee exercise all or any of his/her ESS Awards from the date of his/her receipt of the notice by the Company in respect of any of the events in paragraphs (a), (b) and (c) above. In the event that the Grantee elects not to so exercise some or all of the Options held by him/her, the unexercised Options shall be automatically terminated and lapse by the date prescribed and be null and void and of no further force and effect.

In the foregoing circumstances, all ESS Awards which the ESS Committee 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 ESS Committee notwithstanding that the ESS Award vesting date has not commenced or has not expired.

23. DIVESTMENT FROM THE GROUP, ETC

23.1 In the event that a company within the Group shall be divested from the Group, a Grantee who is employed by such company:

- (a) shall not be entitled to continue to hold and to exercise all unexercised vested ESOS Options held by him/her and shall cease to be capable of being vested with any unvested Shares under the ESGP Award from the date of completion of such divestment, within a period of three (3) months from the date of completion of such divestment or the Date of Expiry, whichever expires first, and in accordance with the provisions of By-Law 9.4. In the event that the Grantee does not so exercise some or all of such Options and/or the unvested Shares, the unexercised Options and/or unvested Shares under the ESGP Award shall be automatically terminated upon the expiry of the relevant period; and
- (b) shall no longer be eligible to participate for further ESS Awards under the Scheme as from the date of completion of such divestment, unless approved by the ESS Committee in writing.

- 23.2 For the purposes of By-Law 23.1, a company shall be deemed to be divested from the Group or disposed of from the Group in the event that the effective interest of the Company in such company is reduced from above fifty percent (50%) to fifty percent (50%) or below so that such company would no longer be a subsidiary of the Company pursuant to Section 4 of the Act or such company ceases to form part of the Group for such reason(s) as determined by the ESS Committee as its discretion.

24. WINDING UP

All outstanding ESS Awards shall be automatically terminated and be of no further force and effect in the event that a resolution is passed or a court order is made for the winding up of the Company commencing from the date of such resolution or the date of the court order. In the event a petition is presented in court for the winding-up or liquidation of the Company, all rights to exercise and/or vest the ESS Awards shall automatically be suspended from the date of the presentation of the petition. Conversely, if the petition for winding-up is dismissed by the court, the right to exercise and/or vest the ESS Awards shall accordingly be unsuspended.

PART VII

25. EFFECTIVE DATE, DURATION, TERMINATION AND EXTENSION OF SCHEME

- 25.1 The Effective Date for the implementation of the Scheme shall be such date to be determined and announced by the Board following full compliance with all relevant requirements of the Listing Requirements, including the following:-

- (a) submission of the final copy of the By-Laws to Bursa Securities together with a letter of compliance pursuant to paragraph 2.12 of the Listing Requirements and a checklist showing compliance with Appendix 6E of the Listing Requirements (and/or such other documents as may be determined by Bursa Securities from time to time);
- (b) receipt of approval from Bursa Securities for the listing of and quotation for such number of new Shares, representing up to fifteen percent (15%) of the total number of issued share capital of the Company on the Main Market of Bursa Securities pursuant to the Scheme;
- (c) procurement of shareholders' approval for the Scheme in a general meeting;
- (d) receipt of approval of any other relevant authorities, where applicable; and
- (e) fulfilment or waiver (as the case may be) of all conditions attached to the above proposals, if any.

The Scheme, when implemented, shall be in force for a duration of five (5) years from the Effective Date subject however to any extension of the Scheme as provided under By-Law 25.3 below. The date of expiry of the Scheme shall be at the end of the five (5) years from the Effective Date or, if the Scheme shall be extended, shall be the date of expiry as so extended ("**Date of Expiry**").

- 25.2 The ESS Award can only be made during the Duration of the Scheme and before 5.00 p.m. on the Date of Expiry.

APPENDIX I – DRAFT BY-LAWS (CONT'D)

- 25.3 On or before the Date of Expiry, the Board shall have the discretion, without having to obtain approval of the Company's shareholders, to extend the Duration of the Scheme provided that the initial period of the Scheme and such extension of the Scheme made pursuant to this By-Law shall not in aggregate exceed the duration of ten (10) years from the Effective Date. In the event the Scheme is extended in accordance with this provision, the ESS Committee shall furnish a written notification to all Grantees and the Company shall make necessary announcements to Bursa Securities within thirty (30) days prior to the Date of Expiry of such proposed extension of the Scheme or such other period as may be stipulated by Bursa Securities.
- 25.4 Notwithstanding anything to the contrary, all ESS Awards shall lapse at 5.00 p.m. on the Date of Expiry.
- 25.5 The Scheme may be terminated by the ESS Committee at any time before the Date of Expiry **PROVIDED THAT** the Company makes an announcement immediately to Bursa Securities. The announcement shall include:-
- (a) the effective date of termination ("**Termination Date**");
 - (b) the number of Options exercised under ESOS and/or Shares vested under the ESGP; and
 - (c) the reasons and justification for termination.
- 25.6 The Company may implement more than one (1) employee share scheme provided that the aggregate number of Shares available under all the employee share schemes implemented by the Company is not more than fifteen percent (15%) of its total number of issued share capital (excluding treasury shares, if any) at any one time or any other limit in accordance with any prevailing guidelines issued by Bursa Securities or any other relevant authorities as amended from time to time.
- 25.7 In the event of termination as stipulated in By-Law 25.5 above, the following provisions shall apply:-
- (a) No further ESS Awards shall be made by the ESS Committee from the Termination Date;
 - (b) All ESS Awards which have yet to be accepted by Eligible Persons shall automatically lapse on the Termination Date;
 - (c) All ESS Awards which have yet to be vested in the Eligible Persons shall automatically lapse on the Termination Date; and
 - (d) All outstanding ESOS Options which have yet to be exercised by Grantees and/or vested shall be automatically terminated on the Termination Date.
- 25.8 Approval or consent of the shareholders of the Company by way of a resolution in a general meeting and written consent of Grantees who have yet to exercise their Options and/or vest the unvested Shares are not required to effect a termination of the Scheme.

26. NO COMPENSATION FOR TERMINATION

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

- (a) this Scheme shall not form part of any contract of employment between the Company or any company within the Group and any Eligible Person of any company of the Group. The rights of any Eligible Person under the terms of his/her office and/or employment with any company within the Group shall not be affected by his/her participation in the Scheme, nor shall such participation or the ESS Award or consideration for the ESS Award afford such Eligible Person any additional rights to compensation or damages in consequence of the termination of such office or employment for any reason;
- (b) this Scheme shall not confer on any person any legal or equitable right or other rights under any other theory of law (other than those constituting the ESS Award themselves) against the Company or any company of the Group, directly or indirectly, or give rise to any course of action in law or in equity or under any other theory of law against any company within the Group;
- (c) no Grantee or his/her Representative shall bring any claim, action or proceeding against any company of the Group, the ESS Committee or any other party for compensation, loss or damages whatsoever and howsoever arising from the suspension/cancellation of his/her rights/exercise of his/her ESS Award or his/her rights/ESS Award ceasing to be valid pursuant to the provisions of these By-Laws; and
- (d) the Company, the Board or the ESS Committee shall in no event be liable to the Grantee or his/her personal or legal representative or any other person or entity for any third party claim, loss of profits, loss of opportunity, loss of savings or any punitive, incidental or consequential damage, including without limitation lost profits or savings, directly or indirectly arising from the breach or non-performance of these By-Laws or any loss suffered by reason of any change in the price of the Shares or from any other cause whatsoever whether known or unknown, contingent, absolute or otherwise, whether based in contract, tort, equity, indemnity, breach of warranty or otherwise and whether pursuant to common law, statute, equity or otherwise, even if any company of the Group, the Board or the ESS Committee has been advised of the possibility of such damage.

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

27.1 Subject to the compliance with the Listing Requirements and any other relevant authorities, the ESS Committee may at any time and from time to time recommend to the Board any additions, modifications or amendments to or deletions of these By-Laws as it shall at its discretion think fit. The approval of the shareholders of the Company in general meeting shall not be required in respect of additions or amendments to, or modifications and/or deletions of these By-Laws **PROVIDED THAT** no additions, modifications or amendments to or deletions of these By-Laws shall be made which will:-

- (a) prejudice any rights which have accrued to any Grantee without the prior consent or sanction of that Grantee; or
- (b) increase the number of Shares available under the Scheme beyond the maximum imposed by By-Law 4.1; or

- (c) alter any matter which are required to be contained in these By-Laws by virtue of the Listing Requirements to the advantage of the Eligible Person and/or Grantee, without the prior approval of shareholders obtained at a general meeting.

unless allowed otherwise by the provisions of the Listing Requirements.

- 27.2 For the purpose of complying with the provisions of the Listing Requirements, By-Laws 4, 5, 6, 8.4, 10, 11.3(b), 12.1, 14, 15, 16, 21 and 25.1 shall not be amended or altered in any way whatsoever for the advantage of Eligible Persons without the prior approval of shareholders obtained at a general meeting and subject to any applicable laws.
- 27.3 Upon amending and for modifying all or any of the provisions of the Scheme, the Company shall within five (5) Market Days after the effective date of the amendments, cause to be submitted to Bursa Securities the amended By-Laws and a confirmation letter that the said amendment and/or modification complies and does not contravene any of the provisions of the Listing Requirements in relation to the Scheme.

PART VIII

28. ADMINISTRATION AND TRUST

- 28.1 The Scheme shall be administered by the ESS Committee. The ESS Committee shall, subject to these By-Laws, 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. The decision of the ESS Committee shall be final and binding.
- 28.2 In implementing the Scheme, the ESS Committee may in its discretion, after taking into consideration, amongst others, factors such as prevailing market price of the Shares, funding considerations and dilutive effects on the Company's capital base, future returns and cash requirements of the Group, decide that the Shares to be awarded under the ESGP shall be satisfied by any of the following methods:
 - (a) Issuance of new Shares;
 - (b) Transfer of existing Shares held in treasury (if any);
 - (c) Acquisition of existing Shares from the market;
 - (d) Payment of equivalent cash value of such new Shares and/or existing Shares;
 - (e) Any other methods as may be permitted by the Listing Requirements and the Act, as amended from time to time and any re-enactment thereof; or
 - (f) A combination of any of the above.

APPENDIX I – DRAFT BY-LAWS (CONT'D)

- 28.3 For the purposes of facilitating the implementation and administration of the Scheme, the Company and/or the ESS Committee may (but shall not be obliged to) establish a trust to be administered by trustee(s) consisting of such trustee appointed by the Company from time to time ("**Trustee**"), if required, for the purposes of subscribing for new Shares and/or acquiring existing Shares from the Main Market of Bursa Securities and transferring them to Grantees at such times as the ESS Committee shall direct ("**Trust**"). To enable the Trustee to subscribe for new Shares and/or acquire existing 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 or any third party to subscribe for Shares on behalf of Grantees and (if/where applicable) to release the relevant net gains arising from the sale of the Shares from the exercise of the ESOS Options by a Grantee (after deducting the Exercise Price and the related transaction costs) to the relevant Grantee.
- 28.4 The Trustee if and when a Trust is established shall administer the Trust in accordance with the terms of the trust deed to be entered into between the Company and the trustee constituting the trust ("**Trust Deed**"). For the purpose of administering the Trust, the Trustee shall do all such acts and things and enter into any transactions, agreements, deeds, documents or arrangements and make rules, regulations or impose terms and conditions or delegate part of its power relating to the administration of the Trust, as the ESS Committee may in its sole discretion direct for the implementation and administration of the Trust.
- 28.5 The Company or ESS Committee shall have power from time to time, at any time, to appoint or rescind/terminate the appointment of any Trustee as it deems fit in accordance with the provisions of the Trust Deed. The ESS Committee shall have the power from time to time, at any time, to negotiate with the Trustee to amend the provisions of the Trust Deed.
- 28.6 Without limiting the generality of By-Law 28.1, the ESS Committee may, for the purpose of administering the Scheme, do all acts and things, rectify any errors in an ESS Award, execute all documents and delegate any of its powers and duties relating to the Scheme as it may at its discretion consider to be necessary or desirable for giving effect to the Scheme.
- 28.7 The Board shall have power at any time and from time to time to approve, rescind and/or revoke the appointment of any person in the ESS Committee as it shall deem fit.

29. DISPUTES

- 29.1 In case any dispute or difference shall arise between the ESS Committee and an Eligible Person or a Grantee or in the event of an appeal by an Eligible Person, as the case may be, as to any matter of any nature arising hereunder, such dispute or appeal must have been referred to and received by the ESS Committee during the Duration of the Scheme. The ESS Committee shall then determine such dispute or difference by a written decision (without the obligation to give any reason therefor) given to the Eligible Person and/or Grantee, as the case may be, PROVIDED THAT where the dispute is raised by a member of the ESS Committee, the said member shall abstain from voting in respect of the decision of the ESS Committee in that instance. In the event the Eligible Person or Grantee, as the case may be, shall dispute the same by written notice to the ESS Committee within fourteen (14) days of the receipt of the written decision, then such dispute or difference shall be referred to the Board, whose decision shall be final and binding in all respects, provided that any Director of the Company who is also in the ESS Committee shall abstain from voting and no person shall be entitled to dispute any decision or certification which is stated to be final and binding under these By-Laws. Under no circumstances shall a dispute or difference be brought to a court of law. Notwithstanding anything herein to the contrary, any costs and expenses incurred in relation to any dispute or difference or appeal brought by any party to the ESS Committee shall be borne by such party.
- 29.2 Notwithstanding the foregoing provisions of By-Law 29.1 above, matters concerning adjustments made pursuant to By-Law 21 shall be referred to external auditors of the Company or Adviser, who shall act as experts and not as arbitrators and whose decision shall be final and binding in all respects.

30. COSTS AND EXPENSES

All fees, costs and expenses incurred in relation to the Scheme including but not limited to the fees, costs and expenses relating to the issue and allotment and/or transfer of the Shares pursuant to the ESS Award, shall be borne by the Company. Notwithstanding this, the Grantee shall bear any fees, costs and expenses incurred in relation to his/her acceptance and exercise of the Options under the Scheme.

31. CONSTITUTION/ARTICLES OF ASSOCIATION

In the event of a conflict between any of the provisions of these By-Laws and the Constitution/Articles of Association of the Company, the Constitution/Articles of Association of the Company shall at all times prevail.

32. NOTICE

- 32.1 Subject to By-Law 34.5, any notice or request which the Company is required to give, or may desire to give, to any Eligible Person or the Grantee pursuant to the Scheme shall be in writing and shall be deemed to be sufficiently given:
- (a) if it is sent by ordinary post by the Company to the Eligible Person or the Grantee at the last address known to the Company as being his/her address, such notice or request shall be deemed to have been received three (3) Market Days after posting;

- (b) if it is delivered by hand to the Eligible Person or the Grantee, such notice or request shall be deemed to have been received on the date of delivery; and
- (c) if it is sent by electronic media, including but not limited to electronic mail, to the Eligible Person or the Grantee, such notice or request shall be deemed to have been received by the recipient on the Market Day immediately following the day on which the electronic mail is sent or (in the case of communication by other digital means) on the Market Day immediately following the day on which such communication is effected or otherwise upon confirmation or notification received after the sending of notice or request by the Company.

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

- 32.2 Where any notice which the Company or the ESS Committee is required to give, or may desire to give, in relation to matters which may affect all the Eligible Persons or all the Grantee (as the case may be) pursuant to the Scheme, the Company or the ESS Committee may give such notice through an announcement to all employees of the Group to be made in such manner deemed appropriate by the ESS Committee (including via electronic media). Upon the making of such an announcement, the notice to be made under By-Law 32.1 shall be deemed to be sufficiently given, served or made to all affected Eligible Persons or Grantee, as the case may be.

33. SEVERABILITY

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

34. GOVERNING LAW AND JURISDICTION

- 34.1 These By-Laws shall be governed and construed in accordance with the laws of Malaysia and the Eligible Person and/or Grantee shall subject to the provisions of By-Law 29 submit to the exclusive jurisdiction of the courts of Malaysia in all matters connected with the obligations and liabilities of the parties hereto under or arising out of these By-Laws.
- 34.2 Any proceeding or action shall subject to the provisions of By-Law 29, be instituted or taken in Malaysia and the Eligible Person and/or Grantee irrevocably and unconditionally waives any objection on the ground of venue or forum non-convenience or any other grounds.
- 34.3 Any notice/process required to be given to or served upon the Board or the ESS Committee by an Eligible Person shall be given shall be deemed to be sufficiently given, served or made if it is given served or made by hand, by facsimile transmission and/or by letter sent via ordinary post addressed to the Eligible Person at his place of employment, at his last facsimile transmission number known to the Company, or to his last-known address. Any notice/process served by hand, by facsimile, by 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 facsimile transmission) is transmitted with a confirmed log print-out for the transmission indicating the date, time and transmission of all pages, and (if by post) on the day the letter containing the same is posted and in proving such service by post, it shall be sufficient to prove that the letter containing the notice or documents was properly addressed, stamped and posted.

APPENDIX I – DRAFT BY-LAWS (CONT'D)

- 34.4 Any notice/process required to be given to or served upon the Board or the ESS Committee by an Eligible Person shall be given, served or made in writing and delivered by hand or by registered post to the registered office of the Company (or such other office or place which the ESS Committee may have stipulated for this purpose). Any notice/process served by hand, 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 and (if by post) five (5) Market Days after postage.
- 34.5 Any ESOS Offer to be made and acceptances thereof, and normal correspondence (other than notice/process) under the Scheme ("**Normal Correspondence**") to be given to or served upon the Board or the ESS Committee, Eligible Person, as the case may be, shall be given, served or made in writing and delivered by electronic mail to such e-mail address specified by the Company (if to be given to or served upon the Board of the ESS Committee) or to such e-mail address of the employee provided by the Company (if to be given to or served upon the Eligible Person) or such communication by other digital means as may be prescribed by the Board and/or ESS Committee, and shall be deemed to have been received by the recipient (in the case of electronic mail) on the Market day immediately following the day on which the electronic mail is dispatched or (in the case of communication by other digital means) on the Market Day immediately following the day on which such communication is effected.
- 34.6 Notwithstanding By-Law 34.5, where any Normal Correspondence is required to be given by the Company or the ESS Committee or the Trustee under these By-Laws in relation to matters which may affect any or all of the Eligible Persons, the Company or the ESS Committee may give the Normal Correspondence through an announcement to all employees of the Group to be made in such manner deemed appropriate by the ESS Committee. Upon the making of such an announcement, the Normal Correspondence to be made under By-Law 34.5 shall be deemed to be sufficiently given, served or made to all affected Eligible Persons.
- 34.7 In order to facilitate the offer of any ESS Award (and/or the benefit thereof) under this Scheme, the ESS Committee may provide for such special terms to the Eligible Persons who are employed by any corporation in the Group in a particular jurisdiction, or who are nationals of any particular jurisdiction, that is outside Malaysia, as the ESS Committee may consider necessary or appropriate for the purposes of complying with differences in local law, tax, policy or custom of that jurisdiction. The ESS Committee may further approve such supplements to or amendments, restatements or alternative versions of the Scheme as it may consider necessary or appropriate for such purposes without affecting the terms of the Scheme as in effect for any other purpose, and the secretary of the Company or any other appropriate officer of the Company may certify any such document as having been approved and adopted in the same manner as the Scheme. No such special terms, supplements, amendments or restatements, however, shall include any provisions that are inconsistent with the terms of this Scheme, as then in effect unless this Scheme has been amended to eliminate such inconsistency. Notwithstanding the above, any ESS Award offered to such Eligible Person pursuant to the Scheme shall be valid strictly in Malaysia only unless specifically mentioned otherwise by the ESS Committee in the ESS Award.
- 34.8 No action has been or will be taken by the Company to make an ESS Award valid in any country or jurisdiction other than Malaysia or to ensure compliance of the ESS Award with all applicable laws and regulations in any other country or jurisdiction other than Malaysia. No action has or will be taken also by the Company to ensure compliance by the Eligible Person to whom an ESS Award is offered, with all applicable laws and regulations in such other country or jurisdiction in which the Eligible Person accepts the ESS Award or will exercise the ESOS Option or be vested the Shares under the ESGP Award.

APPENDIX I – DRAFT BY-LAWS (CONT'D)

- 34.9 Any Eligible Person to whom an ESS Award is offered is required to ensure that they comply with all applicable laws and regulations in each country or jurisdiction in or from which they accept the ESS Award or exercise the ESOS Option or be vested the Shares under the ESGP Award. By their acceptance of an ESS Award, each Grantee has represented, warranted and agreed that they have and will continue to observe all applicable laws and regulations in the jurisdiction in which they accept the ESS Award and/or will exercise the ESOS Option or be vested the Shares under the ESGP Award.

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APPENDIX II – FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. CONSENT AND DECLARATION OF CONFLICT OF INTEREST

AmInvestment Bank has given and has not subsequently withdrawn its consent to the inclusion in this Circular of its name and all references thereto in the form and context in which it appears in this Circular.

AmInvestment Bank is a wholly-owned subsidiary of AMMB Holdings Berhad. AMMB Holdings Berhad and its group of companies ("**AmBank Group**") form a diversified financial group and are engaged in a wide range of transactions relating to amongst others, investment banking, commercial banking, private banking, brokerage, securities trading, asset and funds management and credit transaction services businesses. AmBank Group's securities business is primarily in the areas of securities underwriting, trading and brokerage activities, foreign exchange, commodities and derivatives trade.

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 Scanwolf Group.

As at the LPD, the AmBank Group has extended certain credit facilities amounting to approximately RM9.85 million to Scanwolf Group. The said facilities represent approximately 0.01% compared to the audited consolidated loans, advances and financing of AMMB Holdings Berhad as at 31 March 2023.

Notwithstanding the above, AmInvestment Bank is of the opinion that its role as the Principal Adviser for the Proposed ESS does not give rise to a conflict of interest situation in view that:-

- (i) the AmBank Group form a diversified financial group and is engaged in a wide range of transactions as highlighted above. AmInvestment Bank is a licensed investment bank and its appointment as the Principal Adviser in respect of the Proposed ESS is in the ordinary course of business; and
- (ii) each of the entities and departments of the AmBank Group are also subject to internal control and checks, which regulate the sharing of information between entities and departments. Additionally, each departments and entities within AmBank Group has separate and distinct operations and decisions are made independent of each other. In addition, the conduct of AmInvestment Bank is regulated by Bank Negara Malaysia.

3. MATERIAL COMMITMENTS

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 the Group.

APPENDIX II – FURTHER INFORMATION (CONT'D)

4. CONTINGENT LIABILITIES

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

5. MATERIAL LITIGATION

As at the LPD, there is no material litigation, claims or arbitration, either as plaintiff or defendant, which will have a material and/or adverse effect on the financial position or business of the Group, and the Board is not aware of any proceedings pending or threatened against the Group, or of any facts likely to give rise to any proceedings which may materially or adversely affect the financial position or business of the Group.

6. HISTORICAL SHARE PRICES

The monthly highest and lowest closing market price of Scanwolf Shares traded on the Main Market of Bursa Securities for the past 12 months preceding the date of the Circular are set out as below:-

	High RM	Low RM
<u>2023</u>		
February	0.570	0.505
March	0.535	0.465
April	0.480	0.450
May	0.480	0.405
June	0.470	0.420
July	0.455	0.420
August	0.455	0.395
September	0.470	0.430
October	0.565	0.450
November	0.565	0.525
December	0.540	0.490
<u>2024</u>		
January	0.505	0.460
Last transacted market price on 16 January 2024 (being the last market day prior to the announcement of the Proposals)		0.490
Last transacted market price as at the LPD		0.470

(Source: Bloomberg)

APPENDIX II – FURTHER INFORMATION (CONT'D)

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of Scanwolf at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 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 EGM:-

- (i) the constitution of Scanwolf;
- (ii) the audited financial statements of Scanwolf for the past 2 FYEs 30 June 2022 and 30 June 2023 and the latest unaudited quarterly results of Scanwolf for the 3 months financial period ended 30 September 2023;
- (iii) the draft By-Laws as set out in Appendix I of this Circular; and
- (iv) the letter of consent and declaration of conflict of interest referred to in Section 2 of Appendix II of this Circular.

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SCANWOLF CORPORATION BERHAD

(Registration No. 200601021156 [740909-T])

(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“**EGM**”) of Scanwolf Corporation Berhad (“**Scanwolf**” or the “**Company**”) will be held at Agate Room (Level G), Avante Hotel, No. 1, Persiaran Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor, Malaysia on Tuesday, 27 February 2024 at 10.30 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the following resolutions with or without modifications:-

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF A NEW EMPLOYEES’ SHARE SCHEME (“SCHEME”) OF UP TO 15% OF THE TOTAL NUMBER OF ISSUED SHARES (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT IN TIME DURING THE DURATION OF THE SCHEME, COMPRISING OF A SHARE OPTION SCHEME (“PROPOSED ESOS”) AND A SHARE GRANT PLAN (“PROPOSED SHARE GRANT PLAN”), FOR THE ELIGIBLE DIRECTORS AND EXECUTIVE / EMPLOYEES OF THE COMPANY AND ITS SUBSIDIARIES (“SCANWOLF GROUP” OR “GROUP”) WHICH ARE NOT DORMANT (“PROPOSED ESS”)

“**THAT**, subject to the approvals of all the relevant authorities and/or parties being obtained (where required), including but not limited to the approval of Bursa Securities for the listing of and quotation for the new Scanwolf Shares to be issued pursuant to the Proposed ESS having been obtained, and to the extent permitted by law, Companies Act 2016 and the Company’s Constitution, approval be and is hereby given to the Board to:

- (i) establish, implement and administer the Proposed ESS from time to time for the eligible directors and executive/employees of the Group (excluding dormant subsidiaries, if any), who fulfil the criteria of eligibility for participation in the Proposed ESS (“**Eligible Person(s)**”) as set out in the By-Laws governing the Scheme (“**By-Laws**”), a draft of which is set out in Appendix I of the Circular, and to give full effect to the Scheme with full power to assent to any conditions, variations, modifications and/or amendments as may be required by the relevant authorities and/or parties or deemed necessary by the Board in the best interest of the Company;
- (ii) make the necessary applications, and to do all things necessary at the appropriate time or times, to Bursa Securities for the listing of and quotation for the new Scanwolf Shares which may hereafter from time to time be allotted and issued pursuant to the Scheme;
- (iii) issue and allot from time to time such number of new Scanwolf Shares as may be required to be allotted and issued pursuant to the exercise of the share options pursuant to the Proposed ESOS (“**Share Options**”) and/or vesting of the share grant pursuant to the Proposed Share Grant Plan (“**Share Awards**”) under the Proposed ESS (collectively, the “**ESS Awards**”), provided that the aggregate number of new Shares to be offered under the Proposed ESS shall not exceed in aggregate 15% of the total number of issued shares of the Company (excluding treasury shares, if any) at any time during the duration of the Scheme. And that such new Scanwolf Shares shall, upon issuance and allotment, rank equally in all respects with the existing Scanwolf Shares, save and except that such new Scanwolf Shares will not be entitled to any dividends, rights, allotments and/or any other form of distributions that may be declared, made or paid to the shareholders of the Company, the entitlement date of which is prior to the date of issuance and allotment of such new Scanwolf Shares pursuant to the Scheme;

- (iv) amend and/or modify all or any part of the terms and conditions as set out in the By-Laws governing the Proposed ESS from time to time as may be required or permitted by the relevant authorities or deemed necessary by the Board or any committee of the Proposed ESS established or appointed by it, provided that such amendments and/or modifications are effected and permitted in accordance with the provisions of the By-Laws relating to amendments and/or modifications, and to do all such acts, deeds and things, and to execute all such documents and to enter into all such transactions, arrangements, agreements, deeds and undertakings with any party or parties as the Board may deem fit, necessary or expedient or appropriate and to impose such terms and conditions or delegate part of its power as may be necessary or expedient in order to give full effect to the Proposed ESS and the provisions of the By-Laws; and
- (v) extend the duration of the Scheme, provided always that the initial period and such extension of the Scheme made pursuant to the By-Laws shall not in aggregate exceed a duration of 10 years from the effective date of the Scheme as determined in accordance with the Listing Requirements and the provisions of the By-Laws (or such other period as may be permitted by Bursa Securities or any other relevant authorities from time to time) without having to obtain any further sanction, approval, consent or authorisation of the shareholders of the Company in a general meeting;

THAT the By-Laws of the Scheme, a draft of which is set out in **Appendix I** of the Circular, be and is hereby approved and adopted;

THAT the Board be and is hereby authorised to take all such steps and do all acts, deeds and things and to execute, sign and deliver on behalf of the Company, all such documents as it may deem necessary, expedient and/or appropriate to implement and give effect to and complete the Proposed ESS with full powers to consent to and to adopt and implement such conditions, modifications, variations and/or amendments as the Board may in its absolute discretion deem fit and/or as may be required by the relevant regulatory authorities in connection with the Proposed ESS;

AND THAT pursuant to Section 85 of the Act read together with Clause 57 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the existing shareholders of the Company to be offered new Scanwolf Shares pursuant to the Proposed ESS which rank equally to the existing Scanwolf Shares **AND THAT** the Board is exempted from the obligation to offer such new Scanwolf Shares first to the existing shareholders of the Company in respect of the issuance and allotment of new Scanwolf Shares to the Eligible Persons pursuant to the Proposed ESS."

ORDINARY RESOLUTION 2 – PROPOSED ALLOCATION OF ESS AWARD TO DATO' TAN SIN KEAT (EXECUTIVE DIRECTOR)

"THAT, subject to the passing of Ordinary Resolution 1 and the approvals of the relevant authorities and/or parties for the Proposed ESS having been obtained, approval be and is hereby given to the Board to authorise the ESS Committee, at any time and from time to time throughout the duration of the Proposed ESS, to offer and grant to Dato' Tan Sin Keat, being an Executive Director of the Company, Share Options and such number of Shares in the Company which will be vested in him/her at a specified future date and to issue and allot and/or deliver such number of options, Shares and/or the equivalent cash value or combinations thereof comprised in the Proposed ESS, **PROVIDED THAT** –

- (i) the aggregate number of Scanwolf Shares which may be made available under the Proposed ESS shall not in aggregate exceed 15% of the total number of issued Scanwolf Shares (excluding treasury shares, if any) at any point in time during the duration of the Proposed ESS;
- (ii) the allocation to him, who either singly or collectively, through person(s) connected to him, holds 20% or more of the total number of issued Scanwolf Shares (excluding treasury shares, if any), must not exceed 10% of the total number of Scanwolf Shares to be made available under the Proposed ESS;

- (iii) he must not participate in the deliberation or discussion of his own allocation or allocations to person(s) connected to him; and
- (iv) subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws, the Listing Requirements, or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time.”

ORDINARY RESOLUTION 3 – PROPOSED ALLOCATION OF ESS AWARD TO NG CHEE WAI (EXECUTIVE DIRECTOR)

“**THAT**, subject to the passing of Ordinary Resolution 1 and the approvals of the relevant authorities and/or parties for the Proposed ESS having been obtained, approval be and is hereby given to the Board to authorise the ESS Committee, at any time and from time to time throughout the duration of the Proposed ESS, to offer and grant to Ng Chee Wai, being an Executive Director of the Company, Share Options and such number of Shares in the Company which will be vested in him/her at a specified future date and to issue and allot and/or deliver such number of options, Shares and/or the equivalent cash value or combinations thereof comprised in the Proposed ESS, **PROVIDED THAT** –

- (i) the aggregate number of Scanwolf Shares which may be made available under the Proposed ESS shall not in aggregate exceed 15% of the total number of issued Scanwolf Shares (excluding treasury shares, if any) at any point in time during the duration of the Proposed ESS;
- (ii) the allocation to him, who either singly or collectively, through person(s) connected to him, holds 20% or more of the total number of issued Scanwolf Shares (excluding treasury shares, if any), must not exceed 10% of the total number of Scanwolf Shares to be made available under the Proposed ESS;
- (iii) he must not participate in the deliberation or discussion of his own allocation or allocations to person(s) connected to him; and
- (iv) subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws, the Listing Requirements, or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time.”

ORDINARY RESOLUTION 4 – PROPOSED ALLOCATION OF ESS AWARD TO DATO’ CHEONG CHEN KHAN (EXECUTIVE DIRECTOR)

“**THAT**, subject to the passing of Ordinary Resolution 1 and the approvals of the relevant authorities and/or parties for the Proposed ESS having been obtained, approval be and is hereby given to the Board to authorise the ESS Committee, at any time and from time to time throughout the duration of the Proposed ESS, to offer and grant to Dato’ Cheong Chen Khan, being an Executive Director of the Company, Share Options and such number of Shares in the Company which will be vested in him at a specified future date and to issue and allot and/or deliver such number of options, Shares and/or the equivalent cash value or combinations thereof comprised in the Proposed ESS, **PROVIDED THAT** –

- (i) the aggregate number of Scanwolf Shares which may be made available under the Proposed ESS shall not in aggregate exceed 15% of the total number of issued Scanwolf Shares (excluding treasury shares, if any) at any point in time during the duration of the Proposed ESS;

- (ii) the allocation to him, who either singly or collectively, through person(s) connected to him, holds 20% or more of the total number of issued Scanwolf Shares (excluding treasury shares, if any), must not exceed 10% of the total number of Scanwolf Shares to be made available under the Proposed ESS;
- (iii) he must not participate in the deliberation or discussion of his own allocation or allocations to person(s) connected to him; and
- (iv) subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws, the Listing Requirements, or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time."

By Order of the Board

SCANWOLF CORPORATION BERHAD

WONG SIEW YEEN (SSM PC NO. 202008001471) (MAICSA 7018749)

TEE THIAM CHAI (SSM PC NO. 202008002297) (MAICSA 7066679)

Company Secretaries

Kuala Lumpur

8 February 2024

Notes:-

1. *A member of a Company shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote at a meeting of members of the Company.*
2. *A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.*
3. *A member of the Company, including an Authorised Nominee or Exempt Authorised Nominee, who is entitled to attend and vote at meeting of the Company, or at a meeting of any class of members of the Company, may appoint one or more proxies to attend and vote instead of the member at the meeting.*
4. *Where a member appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment shall not be valid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.*
5. *The instrument appointing a proxy shall be in writing (in common or usual form) under the hand of the appointer or of his/her attorney duly authorised in writing or if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.*
6. *The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority shall be deposited at the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur or by electronic lodgment via TIIH Online website at <https://tiih.online> not less than 48 hours before the time appointed for holding the meeting or adjourned meeting, as the case may be, at which the person named as proxy in such instrument proposed to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.*

7. *For the purpose of determining a member who shall be entitled to attend the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors (“**ROD**”) as at 19 February 2024. Only a depositor whose name appears on the ROD therein shall be entitled to attend the said meeting or appoint a proxy to attend and/or vote on his/her stead.*
- 8 *Shareholders are advised to check the Company’s website at <http://www.scanwolf.com> and announcements from time to time for any changes to the administration of the EGM.*

Explanatory Notes

Pursuant to Section 85 of the Act read together with Clause 57 of the Company’s Constitution, the existing shareholders of the Company have a statutory pre-emptive right to be offered any new shares which rank equally to existing shares issued by the Company. By you voting in favour of the proposed Ordinary Resolution 1, you will be waiving your statutory pre-emptive right and the proposed Ordinary Resolution 1, if passed, will exclude your statutory pre-emptive right to be offered any new shares to be allotted and issued by the Company pursuant to the Proposed ESS, which will result in a dilution to your shareholding in the Company.

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SCANWOLF CORPORATION BERHAD
(Registration No. 200601021156 [740909-T])
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No: (Nominee Account Only)
Contact No:
No. of Shares Held:

*I/We, (full name in capital letters)

*NRIC No./ Passport No./ Registration No. of (full address)

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

Full Name and Address (in Block Letters) (First Proxy)		NRIC / Passport No.	No. of Shares	% of Shareholding
Email:	Contact No.:			

*and/or

Full Name and Address (in Block Letters) (Second Proxy)		NRIC / Passport No.	No. of Shares	% of Shareholding
Email:	Contact No.:			

to put on a separate sheet where there are more than 2 proxies

or failing *him/her, the *CHAIRMAN OF THE MEETING as *my/our proxy to vote for *me/us and on *my/our behalf at the Extraordinary General Meeting of the Company ("**EGM**") to be held at Agate Room (Level G), Avante Hotel, No. 1, Persiaran Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor, Malaysia on Tuesday, 27 February 2024 at 10.30 a.m. and at any adjournment thereof.

Please indicate with an "X" in the spaces provided below how you wish your votes to be cast. If no specific direction for voting is given, the proxy will vote or abstain from voting at *his/her discretion.

ORDINARY RESOLUTIONS	For	Against
1. Proposed ESS		
2. Proposed Allocation of ESS Award to Dato' Tan Sin Keat		
3. Proposed Allocation of ESS Award to Ng Chee Wai		
4. Proposed Allocation of ESS Award to Dato' Cheong Chen Khan		

* Strike out whichever not applicable

As witness my/our hand(s) this day of, 2024

.....

* Signature /Common Seal of Member



Notes:-

1. A member of a company shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote at a meeting of members of the company.
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8. Shareholders are advised to check the Company's website at <http://www.scanwolf.com> and announcements from time to time for any changes to the administration of the EGM.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

Registered Office
SCANWOLF CORPORATION BERHAD
(Registration No. 200601021156 [740909-T])
c/o Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No. 8 Jalan Kerinchi
59200 Kuala Lumpur

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