

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

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SARAWAK OIL PALMS BERHAD
(Registration No.: 196801000358 (7949-M))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME ("ESOS") OF UP TO TEN PERCENT (10%) OF THE TOTAL NUMBER OF ISSUED ORDINARY SHARES OF SARAWAK OIL PALMS BERHAD ("SOPB") ("SOPB SHARES") (EXCLUDING TREASURY SHARES, IF ANY) ("PROPOSED ESOS") FOR THE ELIGIBLE DIRECTORS OF SOPB AND ELIGIBLE EMPLOYEES OF SOPB AND ITS SUBSIDIARIES

AND

EXTRACT OF THE NOTICE OF ANNUAL GENERAL MEETING IN RELATION TO THE PROPOSED ESOS

Principal Adviser



AFFIN HWANG INVESTMENT BANK BERHAD

(Registration No.: 197301000792 (14389-U))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The resolutions pertaining to the Proposed ESOS will be tabled as special businesses for your consideration at the Company's 58th Annual General Meeting ("AGM"). The notice of AGM of the Company is enclosed in this Circular and are available on our website at www.sop.com.my. The AGM will be held at Conference Room of Imperial Hotel, Jalan Pos, 98000 Miri, Sarawak on Thursday, 25 June 2026 at 10:00 a.m. or any adjournment thereof. Further details are enclosed in the Notice of AGM.

If you are unable to attend and vote at the AGM, you may appoint proxy(ies) to attend and vote on your behalf. If you wish to do so, you must complete and deposit the Form of Proxy (which can be found in our annual report for financial year ended 31 December 2025) at our share registrar's office, **Boardroom Share Registrars Sdn Bhd ("Boardroom")** at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or alternatively, at the Registered Office at No.124-126, Jalan Bendahara, 98000 Miri, Sarawak. The Form of Proxy may also be submitted to Boardroom via email to bsr.proxy@boardroomlimited.com or via electronic means through the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>. All Forms of Proxy must be deposited with Boardroom not less than 48 hours before the time appointed for the taking of the poll indicated below or any adjournment thereof. The lodging of the Form of Proxy does not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

Date and time of the AGM	:	Thursday, 25 June 2026 at 10:00 a.m.
Last date and time for lodging the Form of Proxy	:	Tuesday, 23 June 2026 at 10:00 a.m.
Venue of the AGM	:	Conference Room of Imperial Hotel, Jalan Pos, 98000 Miri, Sarawak

This Circular is dated 28 April 2026

DEFINITIONS

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

Act	:	Companies Act 2016, as amended from time to time and all regulations made thereunder and any re-enactment thereof
Affin Hwang IB	:	Affin Hwang Investment Bank Berhad (Registration No.: 197301000792 (14389-U))
AGM	:	Annual general meeting of our Company
Announcement	:	Announcement dated 10 March 2026 in relation to the Proposed ESOS
Annual Report	:	Annual report of our Company for the financial year ended 31 December 2025
Board	:	Board of Directors of our Company, as may be constituted from time to time
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
By-Laws	:	The rules, terms and conditions of the Proposed ESOS and shall include any amendments or variations made thereto from time to time, the draft of which is as set out in Appendix I of this Circular
Circular	:	This circular to our shareholders dated 28 April 2026 in relation to the Proposed ESOS
Constitution	:	The constitution of our Company, including any amendments thereto that may be made from time to time
CPO	:	Crude palm oil
Director(s)	:	A natural person who holds a directorship in our Company, whether in an executive or non-executive capacity and shall have the meaning given in Section 2 of the Act and Section 2(1) of the Capital Markets and Services Act 2007 (excluding alternate Director)
Effective Date	:	The date that the Proposed ESOS takes effect, being the date of full compliance with all the relevant requirements of Chapter 6 of the Listing Requirements, including the approvals and/or conditions referred to in the By-Laws thereof having been obtained and/or complied with
Eligible Persons	:	Directors of SOPB and/or employees of our Group who meets the criteria of eligibility for participation in the Proposed ESOS as set out in the By-Laws
EPS	:	Earnings per Share

DEFINITIONS (Cont'd)

ESOS Awards	: The grant of an award of such number of Options to the Eligible Persons to subscribe for the Shares at the Exercise Price in the manner and subject to the terms and conditions provided in the By-Laws
ESOS Award Date	: The date of which the ESOS Awards are awarded to the Eligible Persons
ESOS Committee	: A committee duly appointed from time to time and authorised by our Board pursuant to the By-Laws to administer the Proposed ESOS in accordance with the By-Laws
ESOS Participants	: Eligible Persons who have accepted the ESOS Awards in accordance with the provisions of the By-Laws
Exercise Price	: The price of which the ESOS Participants shall be entitled to subscribe for each new SOPB Share to be determined at a later date by exercising his/her Options in accordance with the provisions of the By-Laws
Existing ESOS	: Our existing employees' share option scheme which was effective from 19 September 2017 and expiring on 18 September 2027
Existing Options	: Share options granted under the Existing ESOS
FFB	: Fresh fruit bunches
FYE	: Financial year ended 31 December
Interested Directors	: Our Directors who are deemed interested in the Proposed ESOS
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
LPD	: 31 March 2026, being the latest practicable date prior to printing and despatch of this Circular
Maximum Shares	: The maximum number of new SOPB Shares which may be made available under the Proposed ESOS and the Existing ESOS shall not in aggregate exceed 15% of our Company's total number of issued Shares (excluding treasury shares, if any) at any point in time during the duration of the Proposed ESOS and the Existing ESOS
MFRS 2	: Malaysian Financial Reporting Standards 2 on "Share-Based Payment" issued by the Malaysian Accounting Standards Board
NA	: Net assets attributable to ordinary equity holders of SOPB
Options	: The right of an ESOS Participant to subscribe for new SOPB Shares under the Proposed ESOS pursuant to the contract constituted by the selected Eligible Persons' acceptance of an ESOS Award in the manner indicated in the By-Laws
Person(s) Connected	: Persons connected (as defined under Paragraph 1.01 of the Listing Requirements) with the Eligible Person
Proposed ESOS	: Proposed employees' share option scheme
RM and sen	: Ringgit Malaysia and sen, respectively

DEFINITIONS (Cont'd)

SOPB or Company	:	Sarawak Oil Palms Berhad (Registration No.: 196801000358 (7949-M))
SOPB Group or Group	:	SOPB and its subsidiary companies (excluding dormant companies), collectively
SOPB Share(s) or Share(s)	:	Ordinary share(s) in SOPB
Termination Date	:	Expiry or termination date of the Proposed ESOS
VWAP	:	Volume-weighted average price

References to “we”, “us”, “our” and “ourselves” are to our Company, and where the context otherwise requires, our subsidiary companies. All references to “you” and “your” are to our shareholders.

Words denoting the singular shall, where applicable, include the plural and *vice versa*. Words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and *vice versa*. Any reference to persons shall include corporations, unless otherwise stated.

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

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

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

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SARAWAK OIL PALMS BERHAD
(Registration No.: 196801000358 (7949-M))

Registered Office:

No. 124-126,
Jalan Bendahara,
98000 Miri,
Sarawak

28 April 2026

Board of Directors:

Ling Lu Kuang	<i>(Group Executive Chairman)</i>
Ling Chiong Sing	<i>(Non-Independent Non-Executive Director)</i>
Ling Pau Pau	<i>(Non-Independent Non-Executive Director)</i>
Tang Tiong Ing	<i>(Non-Independent Non-Executive Director)</i>
Datu Sr. Haji Zaidi Bin Haji Mahdi	<i>(Non-Independent Non-Executive Director)</i>
Bibi Umizah Binti Osman	<i>(Non-Independent Non-Executive Director)</i>
Datu Hasmawati Binti Sapawi	<i>(Non-Independent Non-Executive Director)</i>
Chua Chen San	<i>(Independent Non-Executive Director)</i>
Perpetua Phang	<i>(Independent Non-Executive Director)</i>
Lau Phui Ching, Regina	<i>(Independent Non-Executive Director)</i>

To: The Shareholders of SOPB

Dear Sir/Madam,

PROPOSED ESOS

1. INTRODUCTION

On 10 March 2026, Affin Hwang IB had, on behalf of our Board, announced that our Company proposed to undertake the Proposed ESOS of up to 10% of the total number of issued SOPB Shares (excluding treasury shares, if any) at any one time during the duration of the Proposed ESOS. The Maximum Shares to be made available under the Proposed ESOS and the Existing ESOS shall not exceed the aggregate of 15% of the total number of issued Shares (excluding treasury shares, if any) at any one time during the duration of the Proposed ESOS and the Existing ESOS.

Our Company currently has in place the Existing ESOS, which further details of the Existing ESOS are set out in Section 2.2 of this Circular. As the Existing ESOS is expiring on 18 September 2027, the Proposed ESOS is intended to allow us to continue incentivising our employees.

On 8 April 2026, Affin Hwang IB had, on behalf of our Board, announced that Bursa Securities had, *vide* its letter dated 8 April 2026, resolved to approve the listing of and quotation for such number of new SOPB Shares, representing up to 10% of the total number of issued SOPB Shares (excluding treasury shares, if any), on the Main Market of Bursa Securities to be issued pursuant to the Proposed ESOS, subject to the conditions as set out in Section 9 of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED ESOS AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSED ESOS TO BE TABLED AS SPECIAL BUSINESSES AT OUR COMPANY'S FORTHCOMING AGM. THE EXTRACT OF THE NOTICE OF AGM IS ENCLOSED TOGETHER WITH THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED ESOS TO BE TABLED AS SPECIAL BUSINESSES AT OUR FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED ESOS

The Proposed ESOS involves the granting of ESOS Awards to the Eligible Persons in accordance with the provisions of the By-Laws.

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

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

2.1 Indicative salient terms of the Proposed ESOS

2.1.1 Maximum number of Shares available under the Proposed ESOS

As at the LPD, our Company has an issued share capital of RM945,805,689 comprising 899,395,354 Shares.

The Proposed ESOS will be implemented and effective prior to the expiry of the Existing ESOS. The maximum number of new SOPB Shares which may be made available under the Proposed ESOS and the Existing ESOS shall not in aggregate exceed 15% of the total number of issued Shares (excluding treasury shares, if any) at any point in time during the duration of the Proposed ESOS and Existing ESOS.

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

2.1.2 Basis of allocation and maximum allowable allotment

The maximum number of Options which may be comprised in the ESOS Awards to be awarded to an Eligible Person under the Proposed ESOS at any point of time shall be determined entirely at the sole and absolute discretion of the ESOS Committee subject to the provisions of the By-Laws, Listing Requirements and any other applicable regulatory requirements after taking into consideration, inter alia, the Eligible Person's seniority, job grading, designation, length of service, work performance, contribution to our Group, profit after tax of our Group and/or such other factors as the ESOS Committee deems fit in its sole and absolute discretion.

The participation in the Proposed ESOS is extended to the eligible non-executive Directors of SOPB as well to recognise their services and commitment to our Group, aligning their interests with the shareholders by enabling them to participate in the future growth and value creation of our Group. The maximum number of Options which may be comprised in the ESOS Awards to be awarded to the eligible non-executive Directors shall be determined entirely at the sole and absolute discretion of the ESOS Committee subject to the provisions of the By-Laws, Listing Requirements and any other applicable regulatory requirements. For clarity, the aggregate maximum allocation to Directors and senior management under the Proposed ESOS will be determined by the ESOS Committee subject to the provisions of the By-Laws.

Notwithstanding the above, subject to any adjustments which may be made in accordance with the provisions of the By-Laws, the total number of Options to be issued pursuant to the ESOS Awards that may be allocated to an Eligible Person shall be subject to the following:

- (i) the total number of SOPB Shares made available under the Proposed ESOS and the Existing ESOS shall not exceed the Maximum Shares;
- (ii) not more than 10% of the total number of the new SOPB Shares to be made available under the Proposed ESOS shall be allocated to any Eligible Person who, either singly or collectively through Persons Connected, holds 20% or more of the total number of issued Shares (excluding treasury shares, if any) ("**Maximum Award For Eligible Person**"); and
- (iii) Eligible Persons and the Persons Connected shall not participate in any deliberation or discussion and shall abstain from voting on any resolution on their own respective allocations and/or allocations to Persons Connected under the Proposed ESOS.

Subject to the Maximum Award For Eligible Person, the ESOS Committee shall, at its sole and absolute discretion, be entitled to award one or more ESOS Awards to any Eligible Person during the duration of the Proposed ESOS and determine the maximum number of ESOS Awards that will be made available to an Eligible Person under the Proposed ESOS, in the manner provided in the By-Laws. For the avoidance of doubt, the ESOS Committee may, at its sole and absolute discretion, determine whether the ESOS Awards will be in a single grant or staggered over the duration of the Proposed ESOS and/or whether the Options under the ESOS Awards will be subject to any vesting period and if so, to determine the vesting conditions including whether such vesting conditions are subject to performance targets. The decision of the ESOS Committee shall be final and binding.

2.1.3 Eligibility

Subject to the sole and absolute discretion of the ESOS Committee, only the Eligible Persons who fulfil the following conditions as at the ESOS Award Date shall be eligible to participate in the Proposed ESOS:

- (i) in respect of an employee and/or senior management of our Group, the person must fulfil the following criteria as at the ESOS Award Date:
 - (a) is at least 18 years of age and is not an undischarged bankrupt;

- (b) is confirmed in writing as a full-time employee of our Group and has been in employment within our Group or serving in a specific designation under an employment contract with our Group (or any other contract as may be determined by the ESOS Committee) for a continuous period of at least one (1) year or any other period as may be determined by the ESOS Committee prior to the ESOS Award Date and is on the payroll of any company within our Group;
- (c) has not served any notice of resignation, received notice of termination or otherwise ceased or had his/her employment terminated; and
- (d) fulfils any other eligibility criteria and/or falls within such category as may be determined by the ESOS Committee at its sole and absolute discretion from time to time,

provided that:

- (i)
 - (i) if the Eligible Person is the chief executive officer of our Company and/or major shareholder of our Company and/or the Persons Connected, the allocations and allotments of ESOS Awards to such persons have been approved by the shareholders of our Company at a general meeting and he/she and the Persons Connected shall not participate in any of the deliberation or discussion of their own allocations and allotments under the Proposed ESOS and/or the allocations and allotments to the Persons Connected and they shall abstain from voting on any such resolutions; and
 - (ii) if the Eligible Person is a senior management, he/she and the Persons Connected shall not participate in any of the deliberation or discussion of their own allocations and allotments under the Proposed ESOS and/or the allocations and allotments to the Persons Connected and they shall abstain from voting on any such resolutions.
- (ii) in respect of a Director, the person must fulfil the following criteria as at the ESOS Award Date:
 - (a) is at least 18 years of age and is not an undischarged bankrupt;
 - (b) is appointed as Director of SOPB and such Director has served as a Director (and not as alternate Director) in our Company for a continuous period of one (1) year or any other period as may be determined by the ESOS Committee prior to and up to the ESOS Award Date;
 - (c) has not given any notice of resignation, received a notice of termination or otherwise ceased or had his/her appointment terminated; and
 - (d) fulfils any other eligibility criteria and/or falls within such category as may be determined by the ESOS Committee at its sole and absolute discretion from time to time,

provided that the allocations and allotments of ESOS Awards to the Director of our Company and/or major shareholder of our Company and/or the Persons Connected under the Proposed ESOS have been approved by our shareholders at a general meeting and he/she and the Persons Connected shall not participate in any of the deliberation or discussion of their own allocations and allotments under the Proposed ESOS and/or the allocations and allotments to the Persons Connected and they shall abstain from voting on any such resolutions.

Notwithstanding the above, the ESOS Committee may, from time to time, at its sole and absolute discretion, determine any other eligibility criteria and/or waive any of the eligibility conditions as set out above. The eligibility and number of ESOS Awards to be awarded to an Eligible Person under the Proposed ESOS shall be at the sole and absolute discretion of the ESOS Committee, and the decision of the ESOS Committee shall be final and binding.

Eligibility under the Proposed ESOS does not confer on an Eligible Person any claim or right to participate in or any right whatsoever under the Proposed ESOS and an Eligible Person does not acquire or have any right over or in connection with the ESOS Awards unless the ESOS Awards have been awarded by the ESOS Committee to the Eligible Person and the Eligible Person has accepted the ESOS Awards in accordance with the provisions of the By-Laws.

2.1.4 Exercise Price

The ESOS Awards shall entitle the ESOS Participants to subscribe for SOPB Shares at an Exercise Price to be determined at a later date during a period or periods within the duration of the Proposed ESOS of which the Options may be exercised by the ESOS Participants, as determined by the ESOS Committee, subject to the terms and conditions of the By-Laws.

Upon acceptance of the ESOS Awards by the Eligible Persons, subject to the ESOS Participants fulfilling the vesting conditions as may be determined by the ESOS Committee in accordance with the By-Laws, the Options will be vested to the ESOS Participants at the Exercise Price to be determined upon vesting over the duration of the Proposed ESOS.

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

2.1.5 Duration and termination of the Proposed ESOS

The Proposed ESOS, when implemented, shall be in force for a period of 10 years from the Effective Date. The Effective Date shall be a date determined by our Board on the recommendation of the ESOS Committee upon obtaining all approvals required from our shareholders and regulatory authorities and the full compliance by our Company with all relevant provisions of the Listing Requirements in relation to the Proposed ESOS, as more particularly set out in the By-Laws.

Subject to compliance with the Listing Requirements and any other regulatory requirements, the Proposed ESOS may be terminated by the ESOS Committee at any time before the date of expiry of the Proposed ESOS provided that an announcement is released to Bursa Securities on the following:

- (i) the effective date of termination;
- (ii) the number of Options exercised pursuant to the ESOS Awards; and
- (iii) the reasons and justifications for termination.

In the event of expiry or termination of the Proposed ESOS as stipulated above, the following provisions shall apply:

- (i) no further ESOS Awards shall be awarded by the ESOS Committee from the Termination Date;
- (ii) all ESOS Awards which have yet to be accepted by the Eligible Persons shall automatically lapse and become null and void on the Termination Date;
- (iii) all Options under the ESOS Awards which have yet to be vested (as the case may be and whether fully or partially awarded under the Proposed ESOS) shall automatically be deemed cancelled and be null and void on the Termination Date (unless otherwise determined by the ESOS Committee in accordance with the provisions of the By-Laws); and
- (iv) all Options vested under the ESOS Awards which have yet to be exercised by the ESOS Participants shall automatically be terminated and be null and void on the Termination Date.

Subject to the requirements under the Listing Requirements, the approval or consent of our shareholders by way of a resolution in a general meeting and written consent of the ESOS Participants in relation to their unvested Options as well as any unexercised Options are not required to effect a termination of the Proposed ESOS.

For the avoidance of doubt, Options which have been exercised but where the new SOPB Shares have yet to be issued or registered in the name of the ESOS Participants or his/her estate as at Termination Date shall remain effective and the Company shall issue and register the new SOPB Shares accordingly.

2.1.6 Retention period

Save as disclosed below, the new Shares to be allotted and issued pursuant to the exercise of Options pursuant to the Proposed ESOS will not be subject to any retention period or restriction on transfer unless otherwise determined by the ESOS Committee and stated in the terms of the ESOS Awards. However, ESOS Participants are encouraged to hold the Shares as a long-term investment and not for any speculative purposes and/or realisation of any immediate gains from disposal.

If new SOPB Shares are issued pursuant to the exercise of Options awarded to our non-executive Directors under the ESOS Awards, our non-executive Directors must not sell, transfer or assign the Shares obtained pursuant to the Proposed ESOS within 1 year from the date of award of the ESOS Award in accordance with paragraph 8.20 of the Listing Requirements.

2.1.7 Alteration of share capital and adjustment

Subject to the provisions of the By-Laws, in the event of any alteration in our capital structure during the duration of the Proposed ESOS, whether by way of capitalisation of profits or reserves, rights issues, bonus issues, capital reduction, capital repayment, consolidation or sub-division of capital or any other variation of capital howsoever shall take place during the duration of the Proposed ESOS, our Board shall cause such adjustment to be made to the following:

- (i) the Exercise Price and/or number of Options to the extent not yet vested or exercised; and/or
- (ii) the method and/or manner in the vesting of the Options.

The alterations as set out in the foregoing paragraph shall be in such a manner as to give the Eligible Persons a fair and reasonable ESOS Award entitlement, as certified in writing (other than for adjustments made pursuant to a bonus issue) by our auditor or adviser (acting as an expert and not as an arbitrator) as being in its opinion fair and reasonable and such certification shall be final and binding in all respects, provided that:

- (i) upon any adjustment being made pursuant to this section, the ESOS Committee shall notify the Eligible Persons (or his personal representatives, where applicable) in writing:
 - (a) the adjusted number of Options comprised in the ESOS Awards;
 - (b) the revised maximum number of Options comprised in the ESOS Awards; and/or
 - (c) percentage of the total Options comprised in the ESOS Awards,that may vest at any time or in any period which supersedes the earlier ESOS Awards; and
- (ii) in the event that a fraction of an Option arising from the adjustments referred to in this section would otherwise be required to be issued upon the vesting of Options under a ESOS Award, the Eligible Person's entitlement shall be rounded down to the nearest whole number and any adjustment to the Exercise Price shall be rounded up to the nearest one (1) sen.

Unless otherwise determined by the ESOS Committee, the aforementioned adjustments shall be effective on the day immediately following the book closure date for the event giving rise to that adjustment.

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

Subject to the provisions of the By-Laws, compliance with the Listing Requirements and other requirements of Bursa Securities and any other relevant authorities, the ESOS Committee may at any time and from time to time recommend to our Board any additions, amendments or modifications to or deletions of the terms of the Proposed ESOS from the By-Laws as it shall, at its sole and absolute discretion, deem fit. Our Board shall have the power via resolution to add, amend, modify and/or delete any of the terms in the By-Laws upon such recommendation and subject to our Company submitting the amended By-Laws and a letter of compliance to Bursa Securities each time an amendment and/or modification is made, stating that the amendment and/or modification is in compliance with the provisions of the Listing Requirements and the Rules of Bursa Depository no later than 5 market days from the effective date of the said amendment and/or modification.

2.1.9 Ranking of the SOPB Shares arising from the exercise of Options pursuant to the ESOS Awards

The ESOS Participants will not be entitled to any voting rights, dividends, rights, allotments and/or be entitled to participate in any other forms of distribution and/or offer of further securities in our Company until and unless such new SOPB Shares are allotted and issued to the ESOS Participants pursuant to the exercise of their Options.

The new Shares to be allotted and issued pursuant to the exercise of the Options shall, upon allotment and issuance, rank equally in all respects with our then existing SOPB Shares, save and except that such new Shares will not be entitled to any voting rights, dividends, rights, allotments and/or any other forms of distribution that may be declared, made or paid, for which the entitlement date of such dividends, rights, allotments and/or any other forms of distribution precedes the date of allotment and issuance of the new SOPB Shares pursuant to the exercise of the Options.

The SOPB Shares to be allotted and issued pursuant to the Proposed ESOS will be subject to all provisions of our Constitution and such amendments thereafter, if any.

2.1.10 Listing of and quotation for the new SOPB Shares

An application will be made to Bursa Securities for the listing of and quotation for the new SOPB Shares to be issued pursuant to the exercise of Options on the Main Market of Bursa Securities.

2.2 Details of the Existing ESOS

Our Company had, on 19 September 2017, established the Existing ESOS for the eligible Directors of SOPB and employees of SOPB Group. The Existing ESOS is valid for a period of 10 years and shall continue to be in force until 18 September 2027. The maximum number of Shares which may be made available pursuant to the Existing ESOS shall not exceed 10% of our total number of issued Shares (excluding treasury shares, if any) at any point of time during the duration of the Existing ESOS ("**Maximum Options under Existing ESOS**").

As at the LPD, our Company had, throughout the duration of the Existing ESOS, granted a total of 72,448,450 share options under the Existing ESOS ("**Existing Options**") to the eligible Directors and employees of our Group. On 7 March 2022, our Company had announced a bonus issue exercise with a ratio of 1 new Share for every 2 existing Shares held ("**Bonus Issue**"). The Bonus Issue was completed on 19 July 2022. As such, the exercise price and the additional shares to be issued pursuant to the exercise of the Existing Options that were granted prior to the entitlement date of the Bonus Issue were adjusted in accordance with the by-laws governing the Existing ESOS.

The details of the Existing Options awarded under the Existing ESOS up to the LPD are as follows:

Eligible Directors and employees	Total Existing Options Granted	Total Existing Options Exercised	Total Existing Options Forfeited	Total Outstanding Existing Options
Directors	18,171,700	13,722,700	600,000	3,849,000
Senior management	10,547,200	5,629,500	36,000	4,881,700
Other employees	43,729,550	23,857,650	13,580,050	6,291,850
Total	72,448,450	43,209,850	14,216,050	15,022,550

The percentage of our Shares that may be issued pursuant to the exercise of the outstanding Existing Options over our total number of issued Shares as at the LPD is 1.67%.

As at the LPD, our Company has raised a total of RM101,814,548 from the Existing ESOS. The proceeds raised from the Existing ESOS have been fully utilised for working capital purpose.

In accordance with the by-laws of the Existing ESOS:

- (i) the number of Existing Options made available under the Existing ESOS shall not exceed the Maximum Options under Existing ESOS;
- (ii) not more than 10% of our Shares made available under the Existing ESOS at the point in time when the award of Existing Options is made, be granted to any eligible Director or employee who, either singly or collectively through Persons Connected, holds 20% or more of our issued Shares (excluding treasury shares, if any);
- (iii) not more than 50% of our total number of Shares to be issued under the Existing ESOS would be allocated in aggregate to our Directors and senior management of the Group (where "senior management" shall be subject to any criteria as may be determined at the sole discretion of the committee administering the Existing ESOS from time to time) who are eligible under our Existing ESOS; and
- (iv) our Directors and senior management of the Group do not participate in the deliberation or discussion of their respective allocation.

For clarity, the total percentage of Existing Options allocated to our Directors and senior management of the Group is 39.64% of the total Existing Options awarded under the Existing ESOS. The Company does not intend to grant any further share options under the Existing ESOS.

3. UTILISATION OF PROCEEDS

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

The proceeds to be raised from the Proposed ESOS are intended to be utilised for our working capital requirements, which include, amongst others, staff costs such as salaries, statutory contributions and employee benefits as well as operating expenses such as utilities. The proceeds to be utilised for each component of working capital are subject to our Group's operating requirements at the time of utilisation and therefore cannot be determined at this juncture. However, we expect to utilise the proceeds for the said working capital requirements within a period of 12 months as and when the proceeds are received throughout the duration of the Proposed ESOS.

4. RATIONALE FOR THE PROPOSED ESOS

The Proposed ESOS primarily serves to reward the Eligible Persons and to align their interest with our corporate goals and objectives. The Proposed ESOS also provides the Eligible Persons with an opportunity to have equity participation in our Company and help us to achieve the following objectives:

- (i) to recognise the contributions of Eligible Persons whose services are valued and considered vital to our Group's operations and continued growth;

- (ii) to motivate Eligible Persons towards improved performance through greater productivity and loyalty;
- (iii) to reward the Eligible Persons by allowing them to participate in our Group's growth and profitability and eventually realise any potential capital gains arising from appreciation in the value of our Shares;
- (iv) to stimulate a greater sense of belonging and dedication as the Eligible Persons are given the opportunity to participate directly in the equity of our Company thereby aligning the interests of Eligible Persons with our shareholders;
- (v) to retain the Eligible Persons, thus minimising any loss of key personnel; and
- (vi) to make our remuneration scheme more competitive to attract more skilled and experienced employees to join our Group and contribute to our continued growth.

The inclusion of Independent Directors in the Proposed ESOS on the other hand is intended to align their interests with those of shareholders by linking part of their remuneration to the long-term performance of our Company. We are of the view that such participation will not impair their ability to exercise independent judgement, perform an effective check-and-balance role or act in the best interest of our Company as the allocation and granting of Options to them will be determined by the ESOS Committee and subject to the approval from our shareholders. In considering such allocations, the ESOS Committee will take into account, among other factors, whether the allocation may affect the independence or impair the objectivity of the Independent Directors, including their potential shareholdings upon full exercise of the Options granted. Furthermore, the Independent Directors concerned will abstain from all deliberations and voting in respect of their own allocations as well as the allocations of Persons Connected, if any, under the Proposed ESOS.

For clarity, the Company has decided not to terminate the Existing ESOS as there are still outstanding Existing Options that can be exercised during the duration of the Existing ESOS. However, the Company has clarified that it does not intend to grant any further share options under the Existing ESOS for the remainder of the duration of the Existing ESOS as the tenure and the vesting period for any new issuance of share options to Eligible Persons is short and will expire on 18 September 2027.

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

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

Save for the Existing ESOS, our Company has not undertaken any other equity fund-raising exercise in the past 12 months up to the date of this Circular.

6. INDUSTRY OVERVIEW, OUTLOOK AND FUTURE PROSPECTS

(i) Overview and outlook of the Malaysian economy

In the fourth quarter of 2025, the gross domestic product recorded a strong growth of 6.3% (3Q 2025: 5.4%), driven by higher growth in household spending supported by positive labour market, conditions and policy measures, higher growth in private investment attributed to stronger machinery and equipment spending, especially for data centre, stronger exports driven by robust electrical and electronics demand, higher travel receipts and growing exports of information and communication technology-related services.

On a quarter-on-quarter seasonally-adjusted basis, the Malaysian economy expanded by 0.8% (3Q 2025: 2.7%). Headline inflation remained stable at 1.3% (3Q 2025: 1.3%) while core inflation increased to 2.3% in 4Q 2025. The increase in core inflation was mainly driven by higher prices for jewellery and watches, and base effects from mobile communication services inflation. However, headline inflation remained stable as lower administered prices, particularly for electricity and petrol, largely offset these increases.

(Source: Bank Negara Malaysia Quarterly Bulletin 4Q 2025, Bank Negara Malaysia)

The global economy is projected to expand moderately by 3% in 2025 before improving slightly to 3.1% in 2026, supported by resilient labour markets, gradual easing of inflationary pressures and accommodative monetary stance in major advanced economies. Growth in advanced economies is expected to stabilise, while emerging markets and developing economies, particularly in Asia, will continue to drive global output, underpinned by robust domestic demand and investment. Nevertheless, downside risks persist, due to heightened geopolitical tensions, volatility in commodity and energy prices, as well as the potential escalation of trade restrictions, which could weigh on global trade and supply chains. As Malaysia's growth prospects are influenced by this complex global environment, navigating these headwinds are crucial while deepening regional integration and enhancing competitiveness.

In 2026, Malaysia's economy is projected to expand between 4% and 4.5%, supported by resilient domestic demand and a steady external sector. Growth will be anchored by private consumption, boosted by the implementation of the salary adjustment under Phase 2 of the Public Service Remuneration System, continuation of targeted assistance programmes and robust tourism activities in conjunction with Visit Malaysia 2026. In addition, strong investment performance will be supported by higher capital expenditures, particularly in high-impact strategic sectors. The services and manufacturing sectors will remain key drivers of growth, complemented by sustained construction and agriculture sectors.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

(ii) Overview and outlook of the agriculture sector in Malaysia

The agriculture sector in Malaysia increased by 1.4% in the first half of 2025. During the period, the oil palm subsector, the major contributor in the agriculture sector, grew by 1.4%, supported by higher production of CPO, in particular from Sabah and Sarawak. The better FFB yield from oil palm estates also boosted the subsector's performance, buoyed by improved labour market and agronomic management as well as increased mechanisation in harvesting and FFB collections. In addition, the other agriculture subsector expanded by 2.1% mainly contributed by higher output in paddy, vegetables and fruits segments. The livestock subsector grew moderately by 2%, partly owing to better production of egg and cattle segments. Furthermore, the fishing subsector increased by 2.8% as a result of favourable performance in both marine fishing and aquaculture segments. In contrast, the rubber subsector fell marginally by 0.5% due to lower production in the smallholdings segment. Similarly, the forestry and logging subsector contracted by 7.6% as all regions recorded lesser output.

The agriculture sector is forecast to expand by 2.2% in 2026, supported by all subsectors, except forestry and logging. The oil palm subsector is projected to produce higher CPO output attributed to increased FFB and oil extraction rate ("OER"). These improvements are mainly driven by expected favourable weather conditions, expansion of matured plantation areas and further improvements in harvesting practices as well as continued adoption of mechanisation. Additionally, improved OER, owing to more frequent harvesting activities and better field management, is likely to enhance fruits quality and reduce losses. These developments will provide a lift to the overall expansion of the oil palm subsector during the year. In terms of price, average CPO price is forecast to range between RM3,900 and RM4,100 per tonne (2025: RM4,000 – RM4,300). This is in line with higher global CPO production and increased output of competing vegetable oils. Meanwhile, the rubber subsector is anticipated to rebound in line with higher production from both estates and smallholdings segments.

The output of livestock, fishing and other agriculture subsectors are also expected to expand, attributed to growing demand from household spending and tourism activities. In addition, the upcoming action plan under the national blueprint on food security is expected to propel the growth of subsectors. Furthermore, implementation of the Thirteenth Malaysia Plan, 2026 – 2030 initiatives to modernise the agriculture sector by prioritising large-scale agriculture, accelerate modern rice farming and adopting latest technologies will further catalyse these subsectors.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

(iii) Prospects of our Group

The performance of our Group would continue to be driven by the cyclical FFB production, global world edible oil price movement, effect of supply chain on fertilisers, chemicals and fuel prices which will affect the costs of production.

Our Group is taking effective steps to improve our production through better efficient management, including cost control and replanting programmes. Notwithstanding this, the industry will continue to face challenges in view of global economic conditions and volatile commodity prices.

(Source: Our management)

7. EFFECTS OF THE PROPOSED ESOS

The pro forma effects of the Proposed ESOS on our issued share capital, NA, NA per Share and gearing are illustrated based on the following scenarios:

Minimum Scenario : Assuming all outstanding Existing Options granted under our Existing ESOS as at LPD are not exercised prior to the award of ESOS Awards under the Proposed ESOS

Maximum Scenario : Assuming all outstanding Existing Options granted under our Existing ESOS as at LPD are fully exercised prior to the award of ESOS Awards under the Proposed ESOS

7.1 Issued share capital

The Proposed ESOS will not have an immediate effect on our existing issued share capital until such time the new Shares are allotted and issued pursuant to the exercise of Options. Our Company's issued share capital will increase progressively based on the number of new Shares to be allotted and issued pursuant to the exercise of Options and the Exercise Price, subject to the Maximum Shares.

For illustrative purposes, assuming that the Maximum Shares made available under the Proposed ESOS are fully allotted and issued to the ESOS Participants pursuant to the exercise of Options and that there is no other increase in the issued share capital of our Company during the duration of the Proposed ESOS, the pro forma effects of the Proposed ESOS on the issued share capital of SOPB based on the Minimum Scenario and Maximum Scenario are as follows:

	Minimum Scenario		Maximum Scenario	
	No. of SOPB Shares	RM	No. of SOPB Shares	RM
Issued share capital as at the LPD	899,395,354	945,805,689	899,395,354	945,805,689
To be issued pursuant to the exercise of the outstanding Existing Options	-	-	15,022,550	37,424,913 ⁽ⁱ⁾
To be issued assuming full exercise of ESOS Awards	899,395,354	945,805,689	914,417,904	983,230,602
Enlarged issued share capital	89,939,500 ⁽ⁱⁱ⁾	364,254,975 ⁽ⁱⁱⁱ⁾	91,441,700 ⁽ⁱⁱ⁾	370,338,885 ⁽ⁱⁱⁱ⁾
	989,334,854	1,310,060,664	1,005,859,604	1,353,569,487

Notes:

- (i) Computed based on full exercise of all Existing Options into 15,022,550 new SOPB Shares at their respective exercise prices.
- (ii) Calculated based on the Maximum Shares which may be issued pursuant to the Proposed ESOS, in the multiples of 100 SOPB Shares of such other number constituting 1 board lot as permitted to be traded on Bursa Securities in accordance with the Listing Requirements and/or applicable laws.
- (iii) For illustrative purposes, assuming the Exercise Price for the Proposed ESOS are calculated based on indicative Exercise Price of RM4.05, which represents a discount of RM0.44 or 9.80% to the 5-day VWAP of SOPB Shares up to and including the LPD of RM4.49.

7.2 NA, NA per Share and gearing

Save for the potential impact of the MFRS 2 on 'Share-Based Payment' issued by the Malaysian Reporting Standards Board as set out in Section 7.3 below, the Proposed ESOS is not expected to have an immediate effect on the consolidated NA, NA per Share and gearing of our Group until such time the new SOPB Shares are allotted and issued pursuant to the exercise of the Options. The effect on the consolidated NA, NA per Share and gearing of our Group will be dependent on, amongst others, the Exercise Price, number of ESOS Awards to be granted, vesting conditions and number of new SOPB Shares to be issued upon exercise of the ESOS Awards.

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

- (i) increase if the Exercise Price is higher than the consolidated NA per Share; or
- (ii) decrease if the Exercise Price is lower than the consolidated NA per Share,

at such point of exercise of the Options.

7.3 Earnings and EPS

According to MFRS 2, the costs arising from the awarding of ESOS Awards under the Proposed ESOS will be required to be measured at fair value on the date on which such ESOS Awards are awarded and recognised as an expense in the earnings over the vesting period of the ESOS Awards.

In view of the above, the extent of the effects of the Proposed ESOS on our Group's earnings and EPS cannot be determined at this juncture as it would depend on various factors that affect the fair value of the Options such as the Exercise Price and the duration of the Proposed ESOS.

Our ESOS Committee will take into consideration the potential impact of the MFRS 2 on our Group's earnings and EPS when considering the awarding of ESOS Awards to the Eligible Persons.

The estimated expenses in relation to the establishment of the Proposed ESOS (excluding cost in relation to MFRS 2) to be borne by our Company is approximately RM300,000, which comprise mainly professional fees, fees payable to Bursa Securities, expenses in relation to the convening of the AGM, printing and despatch of this Circular and other miscellaneous expenses.

7.4 Substantial shareholders' shareholdings

The Proposed ESOS will not have any immediate effect on the shareholdings of our substantial shareholders until such time as and when the new Shares are allotted and issued pursuant to the exercise of the Options. Any effect on the shareholdings of our substantial shareholders in the future will depend on the number of new Shares to be allotted and issued upon exercise of the Options.

For illustrative purposes, assuming that the Maximum Shares made available under the Proposed ESOS are fully allotted and issued to the ESOS Participants pursuant to the exercise of Options and that there is no other increase in the issued share capital of our Company during the duration of the Proposed ESOS, the pro forma effects of the Proposed ESOS on the substantial shareholders' shareholdings in SOPB based on the Minimum Scenario and Maximum Scenario are as follows:

Minimum Scenario

Name	As at the LPD				Assuming full exercise of the Options to be issued under the Proposed ESOS			
	Direct		Indirect		Direct		Indirect	
	No. of SOPB Shares	%	No. of SOPB Shares	%	No. of SOPB Shares	%	No. of SOPB Shares	%
Shin Yang Plantation Sdn. Bhd.	244,181,850	27.15	-	-	244,181,850	24.68	-	-
Ling Chiong Sing	225,000	0.03	244,181,850 ⁽ⁱ⁾	27.15	375,000 ^(iv)	0.04	244,181,850 ⁽ⁱ⁾	24.68
LCDA Holdings Sdn. Bhd.	173,439,900	19.28	-	-	173,439,900	17.53	-	-
Agape International Pte. Ltd	98,909,505	11.00	-	-	98,909,505	10.00	-	-
Ling Lu Kuang	4,280,850	0.48	98,909,505 ⁽ⁱⁱ⁾	11.00	7,280,850 ^(v)	0.74	98,909,505 ⁽ⁱⁱ⁾	10.00
Tan Sri Datuk Ling Chiong Ho	68,633,250	7.63	244,181,850 ⁽ⁱ⁾	27.15	68,633,250	6.94	244,181,850 ⁽ⁱ⁾	24.68
State Financial Secretary Sarawak	67,453,500	7.50	173,439,900 ⁽ⁱⁱⁱ⁾	19.28	67,453,500	6.82	173,439,900 ⁽ⁱⁱⁱ⁾	17.53

Maximum Scenario

Name	As at the LPD				Assuming full exercise of the Options to be issued under the Proposed ESOS			
	Direct		Indirect		Direct		Indirect	
	No. of SOPB Shares	%	No. of SOPB Shares	%	No. of SOPB Shares	%	No. of SOPB Shares	%
Shin Yang Plantation Sdn. Bhd.	244,181,850	26.70	-	-	244,181,850	24.28	-	-
Ling Chiong Sing	225,000	0.02	244,181,850 ⁽ⁱ⁾	26.70	375,000 ^(iv)	0.04	244,181,850 ⁽ⁱ⁾	24.28
LCDA Holdings Sdn. Bhd.	173,439,900	18.97	-	-	173,439,900	17.24	-	-
Agape International Pte. Ltd	98,909,505	10.82	-	-	98,909,505	9.83	-	-
Ling Lu Kuang	4,280,850	0.47	98,909,505 ⁽ⁱⁱ⁾	10.82	7,280,850 ^(v)	0.72	98,909,505 ⁽ⁱⁱ⁾	9.83
Tan Sri Datuk Ling Chiong Ho	68,633,250	7.51	244,181,850 ⁽ⁱ⁾	26.70	68,633,250	6.82	244,181,850 ⁽ⁱ⁾	24.28
State Financial Secretary Sarawak	67,453,500	7.38	173,439,900 ⁽ⁱⁱⁱ⁾	18.97	67,453,500	6.71	173,439,900 ⁽ⁱⁱⁱ⁾	17.24

Notes:

- (i) Deemed interested by virtue of his shareholdings in Shin Yang Plantation Sdn. Bhd. pursuant to Section 8 of the Act.
- (ii) Deemed interested by virtue of his shareholdings in Agape International Pte. Ltd. pursuant to Section 8 of the Act.
- (iii) Deemed interested by virtue of its shareholdings in LCDA Holdings Sdn. Bhd. pursuant to Section 8 of the Act.
- (iv) Assuming the proposed allocation of 150,000 Options allocated to him under the Proposed ESOS is exercised.
- (v) Assuming the proposed allocation of 3,000,000 Options allocated to him under the Proposed ESOS is exercised.

7.5 Convertible securities

Save as disclosed below, our Company does not have any other convertible securities.

As at the LPD, our Company has 15,022,550 outstanding Existing Options under the Existing ESOS. Further details of the Existing ESOS are set out in Section 2.2 of this Circular.

8. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of our Shares as traded on the Main Market of Bursa Securities for the past 12 months up to the LPD are as follows:

	High RM	Low RM
2025		
April	3.05	2.75
May	3.17	2.95
June	3.18	3.04
July	3.39	3.07
August	3.54	3.35
September	3.44	3.24
October	3.78	3.27
November	4.06	3.64
December	4.02	3.64
2026		
January	4.00	3.72
February	4.03	3.82
March	4.70	3.80
Last transacted price of our Shares on 9 March 2026, being the last market day prior to the announcement of the Proposed ESOS on 10 March 2026		4.23
Last transacted market price of our Shares as at the LPD		4.70

(Source: Bloomberg)

9. APPROVALS REQUIRED

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

- (i) Bursa Securities, for the listing of and quotation for such number of new SOPB Shares to be issued pursuant to the Proposed ESOS on the Main Market of Bursa Securities, which was obtained *vide* its letter dated 8 April 2026 subject to the following conditions:

No.	Conditions	Status of compliance
(1)	Our Company and Affin Hwang IB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed ESOS	Complied
(2)	Affin Hwang IB is required to submit a confirmation to Bursa Securities of full compliance of the Proposed ESOS pursuant to Paragraph 6.43(1) of the Listing Requirements and stating the effective date of implementation together with a certified true copy of the resolution passed by the shareholders in general meeting approving the Proposed ESOS	To be complied

No.	Conditions	Status of compliance
(3)	Our Company to furnish Bursa Securities on a quarterly basis a summary of the total number of new SOPB Shares listed pursuant to the Proposed ESOS as at the end of each quarter together with a detailed computation of the listing fees payable	To be complied

- (ii) our shareholders at our forthcoming AGM to be convened; and
- (iii) any other relevant authorities, if required.

The Proposed ESOS is not conditional upon any other corporate exercises of our Company.

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

All our Directors and chief executives are eligible to participate in the Proposed ESOS and are therefore deemed to be interested in the Proposed ESOS and their respective allocations as well as allocations to Persons Connected, if any, under the Proposed ESOS (“**Interested Persons**”).

Accordingly, the Interested Persons have abstained and will continue to abstain from all board deliberation and voting in respect of the resolutions pertaining to the Proposed ESOS and their respective allocations as well as the allocations to Persons Connected, if any, under the Proposed ESOS at the relevant Board meetings to be convened.

The Interested Persons will also abstain from voting in respect of their direct and/or indirect shareholdings in our Company on the shareholders’ resolutions pertaining to the Proposed ESOS and their respective allocations as well as allocations to Persons Connected, if any, under the Proposed ESOS at a general meeting to be convened.

Save as disclosed below, as at the LPD, the Interested Persons do not have any direct or indirect shareholdings in SOPB:

Name	Direct		Indirect	
	No. of SOPB Shares	%	No. of SOPB Shares	%
<u>Directors</u>				
Ling Lu Kuang	4,280,850	0.48	98,909,505 ⁽ⁱ⁾	11.00
Ling Chiong Sing	225,000	0.03	244,181,850 ⁽ⁱⁱ⁾	27.15
Ling Pau Pau	150,000	0.02	2,852,344 ⁽ⁱⁱⁱ⁾	0.32
Tang Tiong Ing	307,696	0.03	187,071 ⁽ⁱⁱⁱ⁾	0.02
Datu Sr. Haji Zaidi Bin Haji Mahdi	100,000	0.01	-	-
Chua Chen San	80,000	0.01	-	-
Fong Yoo Kaw @ Fong Yee Kow ^(iv)	55,000	0.01	-	-
<u>Major Shareholders / Person Connected</u>				
Tan Sri Datuk Ling Chiong Ho	68,633,250	7.63	244,181,850 ⁽ⁱⁱ⁾	27.15

Name	Direct		Indirect	
	No. of SOPB Shares	%	No. of SOPB Shares	%
<u>Chief Executives</u>				
Wong Hee Kwong	3,733,950	0.42	-	-
Tho Kheng Chiang ^(v)	156,750	0.02	-	-
<u>Persons Connected</u>				
Eric Kiu Kwong Seng	2,852,344	0.32	-	-

Notes:

- (i) *Deemed interested by virtue of his shareholdings in Agape International Pte. Ltd. pursuant to Section 8 of the Act.*
- (ii) *Deemed interested by virtue of his shareholdings in Shin Yang Plantation Sdn. Bhd. pursuant to Section 8 of the Act.*
- (iii) *Deemed interested by virtue of his/her spouse's shareholdings in SOPB pursuant to Section 59 of the Act.*
- (iv) *He has retired as a Director of the Company on 25 April 2026.*
- (v) *He is appointed as the Deputy Chief Executive Officer (Plantation) of SOPB on 1 March 2026.*

Save as disclosed above, none of our other Directors, major shareholders, chief executive and/or Persons Connected have any other interest, direct or indirect, in the Proposed ESOS.

11. DIRECTORS' STATEMENT AND RECOMMENDATION

In view that all our Directors are eligible to participate in the Proposed ESOS, they have abstained and will continue to abstain from expressing an opinion and making any recommendation on the resolutions pertaining to the Proposed ESOS and their respective allocations as well as the allocations of Persons Connected, if any, under the Proposed ESOS.

Nonetheless, having considered all aspects of the Proposed ESOS, including but not limited to the rationale and effects of the Proposed ESOS, our Board have resolved to present the Proposed ESOS and the resolutions pertaining to their respective allocations as well as the allocations of Persons Connected at our forthcoming AGM, for your consideration and approval.

12. CORPORATE EXERCISE ANNOUNCED BUT PENDING COMPLETION

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

13. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Effective Date of the Proposed ESOS is expected to be in the 3rd quarter of 2026.

14. AGM

Our forthcoming AGM, a notice of which its extract is enclosed herein and available for download at our website at www.sop.com.my or Bursa Securities' website at <https://www.bursamalaysia.com>, will be held on 25 June 2026 at 10:00 a.m. or any adjournment thereof at Conference Room of Imperial Hotel, Jalan Pos, 98000 Miri, Sarawak ("**Meeting Venue**"), for the purpose of considering and if thought fit, passing with or without any modifications, the resolutions in relation to the Proposed ESOS set out in the notice of AGM to give effect to the Proposed ESOS. The extract of our notice of AGM is enclosed in this Circular.

If you are unable to attend and vote at the AGM, you may appoint proxy(ies) to attend and vote on your behalf. If you wish to do so, you must complete and submit in the following manner, not less than forty-eight (48) hours before the time appointed for holding 58th AGM or at any adjournment thereof. The lodging of the Form of Proxy does not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

(i) In hard copy form

The original signed proxy form must be deposited with the Company's Share Registrar, at 11th Floor, Menara Symphony, No.5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia, or alternatively, deposited at the Registered Office of the Company at No. 124-126, Jalan Bendahara, 98000 Miri, Sarawak.

(ii) In electronic form

The proxy form can be electronically submitted via email to bsr.proxy@boardroomlimited.com or via electronic means through the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>.

15. FURTHER INFORMATION

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

Yours faithfully,
For and on behalf of the Board of
SARAWAK OIL PALMS BERHAD

Ling Lu Kuang
Group Executive Chairman

**SARAWAK OIL PALMS BERHAD
(REGISTRATION NO. 196801000358 (7949-M))**

**BY-LAWS OF SARAWAK OIL PALMS BERHAD GROUP'S
EMPLOYEES' SHARE OPTION SCHEME ("ESOS")**

1. DEFINITIONS AND INTERPRETATIONS

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

Act	The Companies Act, 2016, as amended from time to time and all regulations made thereunder and any re-enactment thereof
Adviser	A corporate finance adviser that may act as a Principal Adviser under Chapter 7A of the Securities Commission's Licensing Handbook, as amended from time to time
Authorised Nominee	A person who is authorised to act as a nominee as specified in accordance with the schedule prescribed under Part VIII of the Rules of the Bursa Depository and within the group of the financial institutions registered with Bank Negara which is providing financing to the ESOS Participants
Award Letter	A letter of offer to Eligible Person(s) issued pursuant to an offer made by the ESOS Committee under these By-Laws
Board	Board of Directors of the Company, as may be constituted from time to time
Bursa Depository	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
By-Laws	The rules, terms and conditions of the Scheme as set out herein, and shall include any amendments or variations made thereto from time to time
CDS	Central Depository System
CDS Account	a Central Depository System account established by Bursa Depository for a Depositor for the recording of deposits of securities and dealings in such securities by the Depositors
Central Depositories Act	The Securities Industry (Central Depositories) Act 1991 including any amendments made thereto from time to time
Constitution	The constitution of the Company, including any amendments thereto that may be made from time to time
Date of Expiry	The last day of the duration of this Scheme pursuant to By-Law 5.1 hereof

Depositor	A holder of a CDS Account
Director(s)	A natural person who holds a Directorship in SOPB, whether in an executive or non-executive capacity and shall have the meaning given in Section 2 of the Act and Section 2(1) of the Capital Markets & Services Act 2007 (excluding alternate Director)
Effective Date	The date on which the Scheme comes into force as provided in By-Law 5.1
Eligible Person(s)	Director(s) of SOPB and/or employee(s) of the Group, who meets the criteria of eligibility for participation in the Scheme as set out in By-Law 6.
Entitlement Date	The date as at the close of business on which the names of the shareholders of the Company must appear on the Company's record of depositors in order to participate in any dividends, rights, allotments or other distributions
ESOS or Scheme	SOPB Group's Employees' Share Option Scheme on the terms as set out in these By-Laws
ESOS Award(s)	The grant of an award of such number of ESOS Option(s) to Eligible Person(s) to subscribe for the Shares at the Exercise Price in the manner and subject to the terms and conditions provided in these By-Laws
ESOS Award Date(s)	The date of which an ESOS Award(s) is awarded to any Eligible Person(s) pursuant to an Award Letter
ESOS Committee	The committee duly appointed from time to time and authorised by the Board pursuant to By-Law 19 to administer the Scheme in accordance with these By-Laws
ESOS Option or Option	The right of an ESOS Participant to subscribe for the new Share(s) under the ESOS pursuant to the contract constituted by the selected Eligible Person's acceptance of an ESOS Award in the manner indicated in By-Law 9
ESOS Participant(s)	Eligible Person(s) who has accepted the ESOS Award(s) in accordance with the terms of the Scheme
ESOS Period	A period commencing from the date of the ESOS Award, which is accepted in accordance with these By-Laws and expiring on the last day of the period referred to in By-Law 5 or such other date which the ESOS Committee may in its discretion decide, subject always to early termination in accordance with the provisions of By-Law 5, provided that no ESOS Period shall extend beyond the period referred to in By-Law 5
Exercise Period	The specific period or periods within the ESOS Period during which ESOS Options may be exercised by ESOS Participants, as determined by the ESOS Committee subject to By-Law 5

Exercise Price	The price at which the ESOS Participant shall be entitled to subscribe for each new SOPB Share to be determined at a later date by exercising his/her ESOS Option(s) as determined in accordance with By-Law 10
Existing ESOS	The existing employees' share option scheme of the Company which was effective from 19 September 2017 and expiring on 18 September 2027
Government	The Government of Malaysia
Group	The Company and its Subsidiaries
Listing Requirements	The Main Market Listing Requirements of Bursa Securities
Market Day(s)	Any day(s) on which Bursa Securities is open for trading in securities
Maximum Allowable Allocation	The maximum number of the Shares that can be offered to an Eligible Person as stipulated in By-Law 7
Person(s) Connected	Has the meaning given to "person connected" adopted in Paragraph 1.01 of the Listing Requirements
Record of Depositors	A record provided by Bursa Depository to a listed issuer under Chapter 24.0 of the Rules of Bursa Depository, including any amendment that may be made from time to time
Registered Office	The registered address of the Company being 124-126, Jalan Bendahara, 98000 Miri, Sarawak, Malaysia
RM and sen	Ringgit Malaysia and sen, respectively
Rules of Bursa Depository	The Rules of Bursa Depository as issued pursuant to the Central Depositories Act 1991
SOPB Group or Group	SOPB and its Subsidiaries, collectively
SOPB or Company	Sarawak Oil Palms Berhad (Registration No.: 196801000358 (7949-M))
SOPB Share(s) or Share(s)	Ordinary share(s) in SOPB
Subsidiaries	Subsidiary companies within the meaning of Section 4 of the Act of the Company which are not dormant and shall include subsidiary companies which are existing as at the Effective Date and those which are incorporated or acquired at any time during the duration of the Scheme but exclude subsidiary companies which have been divested in the manner provided for in By-Law 26.2 and which is determined by the ESOS Committee at its absolute discretion from time to time to be a corporation participating under the Scheme in accordance with By-Law 6

Validity Period	A period of thirty (30) days from the ESOS Award Date or such period as the ESOS Committee at its discretion, determines on a case-to-case basis, of which the Eligible Person(s) may accept the ESOS Award
Vesting Conditions	The conditions, which are determined and imposed by ESOS Committee, required to be fulfilled by an ESOS Participant to the satisfaction of the ESOS Committee before the ESOS Option(s) is capable of being vested onto the ESOS Participant pursuant to the terms of these By-Laws

1.2 In these By-Laws:

- (i) any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision and any Listing Requirements, policies and/or guidelines of Bursa Securities and/or any other relevant regulatory authority (whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the reasonable commercial practice of persons to whom such requirements, policies and/or guidelines are addressed to by Bursa Securities and/or any other relevant regulatory authority);
- (ii) any reference to a statutory provision shall include that provision as from time to time modified or re-enacted whether before or after the date of these By-Laws so far as such modification or re-enactment applies or is capable of applying to any ESOS Award offered and accepted prior to the expiry of the Scheme and shall include also any past statutory provision (as from time to time modified or re-enacted) which such provision has directly or indirectly been replaced;
- (iii) words denoting the singular shall include the plural and references to gender shall include both genders and the neuter;
- (iv) any liberty or power which may be exercised or any determination which may be made hereunder by the ESOS Committee or the Board may be exercised at the ESOS Committee's or the Board's absolute and unfettered discretion and the ESOS Committee and/or the Board shall not be required to give any reason therefore except as may be required by the relevant authorities;
- (v) the heading in these By-Laws are for convenience only and shall not be taken into account in the interpretation of these By-Laws;
- (vi) if an event occurs on a stipulated day which is not a Market Day, then the stipulated day will be taken to be the first Market Day after that day provided always if such date shall fall beyond the duration of the Scheme, then the stipulated day shall be taken to be the preceding Market Day;
- (vii) in the event of any change in the name of the Company from its present name, all references to "Sarawak Oil Palms 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;
- (viii) any reference to the Company and/or other person shall include a reference to the successors-in-title and permitted assigns; and

- (ix) unless otherwise stated herein and whenever applicable, the currency adopted for any matter referred to in this By-Laws is RM and sen, being the lawful currency of Malaysia.

2. NAME OF THE SCHEME

This Scheme will be called the "SOPB Group's ESOS" for the Director(s) of SOPB and/or the employee of the Group.

3. THE OBJECTIVES OF THE SCHEME

The establishment of this Scheme is to:

- (i) to recognise the contributions of Eligible Persons whose services are valued and considered vital to the Group's operations and continued growth of the Group;
- (ii) to motivate Eligible Persons towards improved performance through greater productivity and loyalty;
- (iii) to reward the Eligible Persons by allowing them to participate in the Group's growth and profitability and eventually realise any potential capital gains arising from appreciation in the value of the Shares;
- (iv) to stimulate a greater sense of belonging and dedication as the Eligible Persons are given the opportunity to participate directly in the equity of the Company thereby aligning the interests of Eligible Persons with shareholders of the Company;
- (v) to retain the Eligible Persons, thus minimising any loss of key personnel; and
- (vi) to make the Group's remuneration scheme more competitive to attract more skilled and experienced employees to join the Group and contribute to its continued growth.

4. MAXIMUM NUMBER OF SHARES AVAILABLE UNDER THE SCHEME

- 4.1 Subject to By-Law 4.2, the total number of the Shares which may be made available under the Scheme shall not in aggregate be more than ten per centum (10.0%) of the total number of issued Shares of the Company (excluding treasury shares, if any) at any one time during the duration of the Scheme ("**Maximum Shares**"). The ESOS Committee has the discretion in determining whether the total number of the Shares which may be made available under the Scheme shall be staggered over the duration of the Scheme.
- 4.2 Notwithstanding the above, the Company may implement more than one (1) employee share scheme during the ESOS Period provided that the aggregate Shares available for issuance under all the schemes implemented by the Company are not more than fifteen per centum (15%) of its total number of issued Shares (excluding treasury shares, if any) at any one time or such lower or higher limit in accordance with any prevailing guidelines issued by Bursa Securities or any other relevant authorities as amended from time to time.

- 4.3 Notwithstanding the provision of By-Law 4.1 above or any other provisions contained herein, in the event the aggregate number of the Shares awarded under the Scheme exceeds the Maximum Shares at any point in time as a result of the Company purchasing or cancelling its own Shares in accordance with the provisions of the Act or the Company undertaking any corporate proposal resulting in reduction of its total number of issued Shares, no further ESOS Awards shall be granted until such aggregate number of the Shares (excluding treasury shares, if any) already awarded falls below the Maximum Shares. Any ESOS Award(s) granted prior to the adjustment of the issued and paid-up share capital and/or Shares of the Company shall remain valid and exercisable in accordance with the provisions of this Scheme.
- 4.4 The Shares which are the subject of ESOS Award(s) which have lapsed for any reason whatsoever may be the subject of further ESOS Award(s) made by the ESOS Committee under the Scheme.
- 4.5 SOPB will use all reasonable efforts to make available/ensure that it has available and sufficient Shares to satisfy the ESOS Award(s) during the Scheme.

5 DURATION AND TERMINATION OF THE SCHEME

- 5.1 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 to Bursa Securities of the final copy of the By-Laws together with a letter of compliance pursuant to paragraphs 2.12 and 6.42 of the Listing Requirements and a checklist showing compliance with Appendix 6E of the Listing Requirements;
 - (b) receipt of the approval-in-principle from Bursa Securities for the listing and quotation for the new Shares, if any, to be issued under the Scheme;
 - (c) procurement of the shareholders' approval for the Scheme at a general meeting;
 - (d) receipt of the approval of any other relevant authorities for the Scheme (if any); and
 - (e) fulfilment or waiver (as the case may be) of all conditions attached to the above approvals, if any.

The Scheme, when implemented, shall be in force for a period of ten (10) years from the Effective Date, unless earlier terminated accordance with By-Law 5.3.

- 5.2 ESOS Award(s) can only be made during the duration of the Scheme before the Date of Expiry.
- 5.3 Subject to By-Law 5.4 and compliance with the Listing Requirements and any other regulatory requirements, the Company may at any time during the duration of the Scheme terminate the Scheme and, upon expiry of the notice period stipulated in By-Law 5.4, shall immediately announce to Bursa Securities the:
- 5.3.1 effective date of termination of the Scheme ("**Termination Date**");
 - 5.3.2 number of ESOS Options exercised pursuant to the ESOS Awards; and
 - 5.3.3 reasons for termination of the Scheme.

- 5.4 Prior to the termination of the Scheme pursuant to By-Law 5.3, the Company shall provide thirty (30) days' notice to all ESOS Participants and allow the ESOS Participants to exercise any vested but unexercised ESOS Options.
- 5.5 Notwithstanding anything to the contrary, all unvested and/or unexercised ESOS Options shall lapse on the Date of Expiry or earlier termination of the Scheme pursuant to By-Law 5.3 and shall be deemed cancelled and be null and void.
- 5.6 The Company shall through its Adviser submit no later than five (5) Market Days after the Effective Date of the implementation of these By-Laws, a confirmation to Bursa Securities of the full compliance of By-Law 5.1 above stating the Effective Date of implementation of the Scheme, together with a certified true copy of the relevant resolutions passed by the shareholders of the Company in the general meeting approving the Scheme.
- 5.7 In the event of termination as stipulated in By-Law 5.3 above, the following provisions shall apply:
- (a) no further ESOS Award(s) shall be granted by the ESOS Committee from the Termination Date;
 - (b) all ESOS Award(s) which have yet to be accepted by Eligible Persons shall automatically lapse and become null and void on the Termination Date; and
 - (c) all ESOS Options under any ESOS Awards which have yet to be vested (as the case may be and whether fully or partially awarded under the Proposed ESOS) shall automatically be deemed cancelled and be null and void on the Termination Date (unless otherwise determined by the ESOS Committee in accordance with the provisions of the By- Laws); and
 - (d) all ESOS Options vested under the ESOS Awards which have yet to be exercised by the ESOS Participants shall automatically be terminated and be null and void on the Termination Date;

For the avoidance of doubt, ESOS Options which have been exercised but where the new Shares have yet to be issued or registered in the name of the ESOS Participants or his/her estate as at Termination Date, shall remain effective and the Company shall issue and register the new Shares accordingly.

- 5.8 Subject to the requirements under the Listing Requirements, the approval or consent of the shareholders of the Company by way of a resolution in a general meeting and written consent of ESOS Participant(s) in relation to unvested Options and/or unexercised Options are not required to effect a termination of the Scheme.

6 ELIGIBILITY

- 6.1 Subject to the sole and absolute discretion of the ESOS Committee, only the Eligible Persons who fulfil the following conditions as at ESOS Award Date shall be eligible to participate in the Scheme:
- (a) in respect of an employee and/or senior management of the Group, the person must fulfil the following criteria as at the ESOS Award Date:
 - (i) he/she has attained the age of at least eighteen (18) years and is not an undischarged bankrupt;

- (ii) he/she is confirmed in writing as a full-time employee and has been in employment within the Group or serving in a specific designation under an employment contract with the Group (or any other contract as may be determined by the ESOS Committee) for a continuous period of at least one (1) year or any other period as may be determined by the ESOS Committee prior to the ESOS Award Date and is on the payroll of a company within the Group
- (iii) has not served a notice of resignation or received a notice of termination or otherwise ceased or had his/her appointment terminated;
- (iv) fulfills any other eligibility criteria and/or fall within such categories as may be determined by the ESOS Committee at its sole and absolute discretion from time to time.

PROVIDED THAT:

- (aa) If the employee is the chief executive officer of SOPB and/or major shareholder of SOPB and/or the Persons Connected with them, the allocations and allotments of ESOS Award(s) to such persons have been approved by the shareholders of the Company at a general meeting AND he/she and the Persons Connected with them shall not participate in any of the deliberation or discussion of their own allocations and allotments under the Scheme and/or the allocations and allotments to the Persons Connected with them and they shall abstain from voting on any such resolutions; and
 - (bb) If the employee is a senior management, he/she and the Persons Connected with them shall not participate in any of the deliberation or discussion of their own allocations and allotments under the Scheme and/or the allocations and allotments to the Persons Connected with them and they shall abstain from voting on any such resolutions.
- (b) in respect of a Director, the Director must fulfill the following criteria as at the ESOS Award Date:
- (i) he/she has attained the age of at least eighteen (18) years and is not an undischarged bankrupt;
 - (ii) has been appointed as a Director of SOPB and such Director has served as a Director (and not as alternate Director) in SOPB for a continuous period of one (1) year or any other period as may be determined by the ESOS Committee prior to and up to the ESOS Award Date;
 - (iii) has not served a notice of resignation nor received a notice of termination or otherwise ceased or had his/her appointment terminated; and
 - (iv) fulfills any other eligibility criteria and/or fall within such categories as may be determined by the ESOS Committee at its sole and absolute discretion from time to time.

PROVIDED THAT the allocations and allotments of ESOS Award(s) to the Director of SOPB and/or major shareholder of SOPB and/or the Persons Connected with them under the Scheme have been approved by the shareholders of the Company at a general meeting AND he/she and the Persons Connected with them shall not participate in any of the deliberation or discussion of their own allocations and allotments under the Scheme and/or the allocations and allotments to the Persons Connected with them and they shall abstain from voting on any such resolutions.

PROVIDED ALWAYS THAT the ESOS Committee may, from time to time, at its sole and absolute discretion, determine any other eligibility criteria and/or waive any of the eligibility criteria as set out above. The eligibility and the number of ESOS Awards to be awarded to an Eligible Person under the Scheme shall be at the sole discretion of the ESOS Committee and the decision of the ESOS Committee shall be final and binding. In determining the eligibility of an Eligible Person to participate in the Scheme, the ESOS Committee may take into account, amongst other factors, the provisions of the Listing Requirements or other applicable regulatory requirements prevailing during the tenure of the Scheme relating to employees' and/or directors' share issuance schemes and after taking into consideration the Eligible Person's seniority, job grading, designation, length of service, work performance and contribution to the Group and the profit after tax of the Group and/or such other factors that the ESOS Committee may in its sole and absolute discretion deems fit. For clarity, the aggregate maximum allocation to director and senior management under the Scheme will be decided by the ESOS Committee.

- 6.2 Subject to these By-Laws and to any applicable laws, where an employee has or had anytime (whether before or after the Effective Date) been seconded from any company within the Group to a company which is not part of the Group, such seconded employee shall, unless otherwise determined by the ESOS Committee at its sole discretion, be eligible to be considered for participation in the Scheme, and for the purpose of these By-Laws, reference to "Eligible Person" shall include the seconded employee.
- 6.3 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, but not as a consultant, shall be treated as an employee of the Group. However, the following persons are not Eligible Persons and do not qualify for participation in the Scheme:
- (a) subject to By-Law 26 below, employees of a company which has ceased to be a subsidiary of the Company;
 - (b) an employee of a company within the Group which is dormant unless otherwise determined by the ESOS Committee but subject to the relevant prevailing laws and regulations; and
 - (c) an employee who has not been in employment of the Group for a period of at least one (1) year or any other period as may be determined by the ESOS Committee.
- 6.4 Unless otherwise determined by the ESOS Committee, an ESOS Participant under the Scheme shall not be precluded from participating in any other share issuance scheme, share grant scheme or share scheme which may be implemented by any other company in the Group during the duration of the Scheme including the Existing ESOS. For the avoidance of doubt, in the event the ESOS Participant is transferred to another company within the Group which has its own share issuance scheme, share grant scheme or share scheme, such Participant is entitled to continue participating in the Scheme and exercise all unexercised ESOS Options granted under this Scheme, in accordance with these By-Laws.

- 6.5 An Eligible Person may be eligible to participate in the ESOS, as may be determined by the ESOS Committee, subject to the Maximum Allowable Allocation under By-Law 7.
- 6.6 Eligibility under the Scheme does not confer on an Eligible Person a claim or right to participate in or any rights whatsoever under the Scheme and an Eligible Person does not acquire or have any rights over or in connection with the ESOS Options or the Shares comprised herein unless an ESOS Award pursuant to an Award Letter has been made by the ESOS Committee to the Eligible Person and the Eligible Person has accepted the ESOS Award in accordance with the provisions of the By-Laws.
- 6.7 Where an ESOS Award is to an Eligible Person who is a member of the ESOS Committee, such ESOS Award shall be decided and carried out by the ESOS Committee **PROVIDED ALWAYS** that such Eligible Person and Persons Connected with him/her who are also members of the ESOS Committee shall abstain from all deliberations and voting in respect of the ESOS Award proposed to be offered or awarded to him/her or the vesting of ESOS Options to him/her at the relevant ESOS Committee meetings.

7. MAXIMUM ALLOWABLE ALLOCATION AND BASIS OF ALLOCATION

- 7.1 Notwithstanding By-Law 6.1 above, the aggregate number of the Shares that may be allocated to any of the Eligible Persons of the Group who are entitled to participate in the Scheme shall be on the basis set out in By-Law 7.2, subject always to the following main parameters:
- (a) the total number of Shares made available under the Scheme and the Existing ESOS, subject to any adjustments which may be made under these By-Laws, shall not exceed the Maximum Shares under By-Laws 4; and
 - (b) not more than ten per centum (10%) of the total number of new Shares made available under the Scheme shall be allocated to any Eligible Person who, either singly or collectively through Persons Connected with the Eligible Person, holds twenty per centum (20%) or more of the total number of issued Shares (excluding treasury shares, if any); and
 - (c) the Eligible Person(s) and Persons Connected with them do not participate in the deliberation or discussion of their own allocation and those of Persons Connected with them under the Scheme; and
- provided always that it is in accordance with any prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities as may be amended from time to time.
- 7.2 The basis for determining the aggregate number of the Shares that may be offered and/or allocated under the Scheme to an Eligible Person shall be at the sole and absolute discretion of the ESOS Committee after taking into consideration, inter alia, the provisions of the Listing Requirements or other applicable regulatory requirements prevailing during the ESOS Period relating to employees' and/or directors' share issuance schemes and after taking into consideration the Eligible Person's seniority, job grading, designation, length of service, work performance and contribution to the Group and the profit after tax of the Group and/or such other matters which the ESOS Committee may in its sole and absolute discretion deem fit and the Maximum Allowable Allocation as decided by the ESOS Committee.

- 7.3 Subject to By-Law 19, the ESOS Committee may at its sole and absolute discretion and pursuant to By-Law 20, amend or vary and/or include or preclude any basis or criteria which is applied in considering ESOS Award(s) to Eligible Persons including the Maximum Allowable Allocation for which it shall deem necessary to introduce during the duration of the Scheme provided that these bases are in compliance with the relevant Listing Requirements and applicable laws.
- 7.4 In the event that an Eligible Person is promoted, he/she shall be entitled to continue to hold all unvested ESOS Options and to exercise all vested but unexercised ESOS Options. The Maximum Allowable Allocation applicable to such Eligible Person shall be the Maximum Allowable Allocation that may be awarded by ESOS Committee corresponding to the category of the employee of which he/she then is a party, subject always to the Maximum Shares as stipulated under By-Law 4.
- 7.5 In the event that an Eligible Person is demoted, he shall be entitled to exercise all vested but unexercised ESOS Options unless otherwise determined by the ESOS Committee and the number of unvested ESOS Options held by him/her at that time may be reduced by the ESOS Committee in its sole and absolute discretion. In the event that the total number of Shares in respect of the ESOS Option(s) which have been accepted by such demoted Eligible Person up to the effective date of his/her demotion exceeds the Maximum Allowable Allocation for his/her new category pursuant to such demotion, he/she shall not be entitled to be offered any further ESOS Option(s), unless and until he/she is subsequently promoted to a higher category or, in the event that the Maximum Allowable Allocation is amended as provided in By-Law 7.3 or revised by the ESOS Committee, resulting in his/her Maximum Allowable Allocation being increased to an amount greater than the total number of Shares in respect of the Option(s) which have already been accepted by him/her.
- 7.6 Any Eligible Person who holds more than one (1) position within the Group and by holding such position is an Eligible Person, shall only be entitled to the Maximum Allowable Allocation of any one (1) category/designation of employment. The ESOS Committee shall be entitled at its discretion to determine the applicable category/designation of employment.
- 7.7 The ESOS Committee may make more than one (1) ESOS Award to an Eligible Person provided that the aggregate number of ESOS Award(s) so offered to an Eligible Person throughout the entire ESOS Period does not exceed the Maximum Allowable Allocation of such Eligible Person.
- 7.8 The ESOS Committee shall not be obliged in any way to award, grant or vest to any Eligible Person any ESOS Options. The decision of the ESOS Committee shall be final and binding.
- 7.9 The allocation of ESOS Options pursuant to the Scheme shall be verified by the Company's Audit Committee, as being in compliance with the criteria set out in these By-laws (where relevant) at the end of each financial year of the Company.
- 7.10 The ESOS Committee may at its sole and absolute discretion determine whether granting of the ESOS Award(s) to the Eligible Person will be in one (1) single grant or staggered over the duration of the Scheme and/or whether the ESOS Award(s) are subject to any vesting period and if so, to determine the Vesting Conditions including whether such Vesting Conditions are subject to performance target.
- 7.11 At the time the ESOS Award(s) is awarded in accordance with these By-Laws, the ESOS Committee shall set out the basis of the award, identifying the category or grant of the Eligible Person and the Maximum Allowable Allocation that may be awarded to such Eligible Person under the ESOS Award(s).

8. AWARD OF ESOS OPTIONS

- 8.1 The ESOS Committee may, at any time during the duration of the Scheme as defined in By-Law 5, make ESOS Award(s) in writing to any Eligible Person (based on the criteria of allocation as set out in By-Law 7) selected by the ESOS Committee which selection shall be at the absolute discretion of the ESOS Committee and the Company shall make the requisite announcements in respect thereof to Bursa Securities. Without limiting the generality of the aforesaid, the ESOS Committee shall ensure that when an ESOS Award is made pursuant to these By-Laws, the Company makes an immediate announcement to Bursa Securities on the date of ESOS Award in accordance with the Listing Requirements which includes the following:
- (a) the ESOS Award Date;
 - (b) the Exercise Price;
 - (c) the number of ESOS Options offered;
 - (d) the market price of its Shares on the date of ESOS Award;
 - (e) the number of ESOS Options to each Director, if any; and
 - (f) the vesting period of the ESOS Options offered, if any.
- 8.2 The actual number of ESOS Options which may be offered to an Eligible Person shall be at the sole and absolute discretion of the ESOS Committee and subject to any adjustments that may be made under By-Law 16, but shall not be more than the Maximum Allowable Allocation. 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 and shall always be in multiples of one hundred (100) Shares (or in any denomination as may be prescribed by Bursa Securities as a board lot).
- 8.3 An ESOS Award may be made upon such terms and conditions as the ESOS Committee may decide from time to time. Each ESOS Award shall be made in writing and is personal to the Eligible Person and is non-assignable and non-transferable.
- 8.4 The ESOS Committee may state the following particulars in the Award Letter (where applicable):
- (a) the number of ESOS Options that are being offered to the Eligible Person;
 - (b) the number of the Shares which the Eligible Person shall be entitled to upon the vesting and exercise of the ESOS Options being offered;
 - (c) the ESOS Period;
 - (d) the Exercise Period;
 - (e) the Exercise Price;
 - (f) the Validity Period as defined in By-Law 9.1;
 - (g) the Vesting Conditions (if any/if applicable), the performance period, service period, vesting period, and vesting date(s) but in any event such period(s) and date(s) shall not be later than the Date of Expiry;
 - (h) any provision on clawback; and

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- (i) any other information deemed necessary by the ESOS Committee.
- 8.5 Without prejudice to By-Laws 20 and 21, in the event of an error on the part of the Company in stating any of the particulars referred to in By-Law 8.4, the following provisions shall apply:
- (a) within one (1) month after discovery of the error, the Company shall issue a supplemental Award Letter, stating the correct particulars referred to in By-Law 8.4; and
- (b) in the event that the error relates to particulars other than the Exercise Price, the Exercise Price applicable in the supplemental Award Letter shall remain as the Exercise Price as per the original Award Letter, save and except with respect to any ESOS Option which have already been exercised as at the date of issue of the supplemental Award Letter.
- 8.6 Subject to By-Law 8, nothing herein shall prevent the ESOS Committee from making more than one (1) ESOS Award to any Eligible Person **PROVIDED ALWAYS THAT** the total aggregate number of the Shares which may be offered to any Eligible Person (inclusive of the Shares previously offered under the Scheme, if any) shall not exceed the Maximum Allowable Allocation of that Eligible Person as set out in By-Law 7.
- 8.7 The ESOS Committee has the discretion not to make further additional ESOS Awards.
- 8.8 The ESOS Awards shall automatically lapse and be null and void in the event of the death of the Eligible Person prior to the acceptance of the ESOS Awards by the Eligible Person in the manner set out in By-Law 9.
- 8.9 After each adjustment following an alteration of the Company's share capital as stipulated in By-Laws 16.1 and the Company informing the ESOS Participant of such adjustment pursuant to By-Laws 16.5 and 16.7, upon the return by an ESOS Participant of the original Award Letter to the Company, that letter shall be amended or a new Award Letter shall be issued within one (1) month from the date of return of the original Award Letter, to reflect the adjustment made to the number of ESOS Options granted to the ESOS Participant and/or the Exercise Price.
- 8.10 The ESOS Committee may, by giving notice in writing to the Eligible Person, vary or waive the terms of any Vesting Condition, performance period, service period, vesting period or other conditions.
- 8.11 The Company shall keep and maintain at its own expense a register of ESOS Participants and shall enter the names, addresses and identity card numbers of the ESOS Participants, the Maximum Allowable Allocation, the number of ESOS Options offered, the number of ESOS Options exercised, the ESOS Award Date and the Exercise Price and other particulars as may be prescribed under Section 129 of the Act.
- 8.12 For the avoidance of doubt, there shall be no legal, equitable or other obligation whatsoever on the part of the ESOS Committee to consider making, or to make, any ESOS Award to any or all of the Eligible Persons.
- 8.13 Each vested ESOS Option shall be exercisable into one (1) Share, fully issued and paid-up, in accordance with the provisions of these By-Laws.
- 8.14 In the event the ESOS Committee decides that the ESOS Option is to be offered in tranches, the number of ESOS Options to be offered in each ESOS Award shall be decided by the ESOS Committee at its sole and absolute discretion and each ESOS Award shall be separate and independent from the others.

9. ACCEPTANCE OF THE AWARD

- 9.1 An ESOS Award shall be valid for a period of thirty (30) days from the ESOS Award Date or such period as the ESOS Committee at its discretion, determines on a case-to-case basis ("**Validity Period**"). Acceptance of the said ESOS Award by an Eligible Person shall be made by way of a written notice from the Eligible Person to the ESOS Committee in the form prescribed by the ESOS Committee and accompanied by the payment of Ringgit Malaysia One (RM1.00) only as non-refundable consideration for the acceptance of each ESOS Award (regardless of the number of Shares comprised therein).
- 9.2 In the event that the Eligible Person fails to accept the ESOS Award or pay the acceptance consideration as set out in By-Law 9.1 within the Validity Period and in the manner aforesaid, or in the event of death or the Eligible Person becomes a bankrupt prior to his/her acceptance of the ESOS Award(s), the said ESOS Award shall be deemed to have lapsed. The ESOS Option(s) comprised in such ESOS Award(s) may, at the discretion of the ESOS Committee, be re-offered to other Eligible Person.
- 9.3 Upon acceptance of the ESOS Award(s) by the Eligible Person(s), the ESOS Award(s) will be vested to the ESOS Participant(s) on the ESOS vesting date during the duration of the Scheme, subject to the ESOS Participant(s) fulfilling the Vesting Condition(s), if any, as determined by the ESOS Committee and subject to the ESOS Award(s) and the provisions of the Bylaws, there is no minimum period for which an ESOS Option must be held before it can be exercised.

10. EXERCISE PRICE

- 10.1 The Exercise Price of each Share comprised in any ESOS Option shall be determined by the ESOS Committee, which shall be binding and conclusive, based on the volume weighted average market price of the Shares for the five (5) Market Day immediately preceding the ESOS Award Date with a discount of not more than ten per centum (10%) or such 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. The Exercise Price as determined by the ESOS Committee shall be conclusive and binding on the ESOS Participants.
- 10.2 The Exercise Price shall be subject to any adjustments provided under By-Law 16.

11. VESTING CONDITIONS

- 11.1 Subject to By-Laws 5, 6 and 11.2, the ESOS Option(s) or such part thereof will only vest to the ESOS Participant on the vesting date(s) if:
- (a) the ESOS Participant remains in employment by or appointment in the Group as at the vesting date; and
 - (b) the other Vesting Conditions (if any) are fully and duly satisfied.
- 11.2 The ESOS Committee shall have the discretion to determine whether any Vesting Condition has been satisfied (whether fully or partially) or exceeded and in making any such determination, the ESOS Committee shall have the right to make reference to (among others) the audited consolidated results of the Company, to take into account such factors as the ESOS Committee may determine to be relevant, such as changes in accounting methods, taxes and extraordinary events, and further, to amend any Vesting Conditions if the ESOS Committee decides that a changed performance target would be a fairer measure of performance.

- 11.3 Where the ESOS Committee has made the determination that the Vesting Conditions and all other stipulated conditions have been fulfilled (whether fully or partially) pursuant to the ESOS Option, the ESOS Participant will be notified of the number of ESOS Options vested and the vesting date of such ESOS Option via the Award Letter or subsequent notice from the ESOS Committee. No ESOS Participant shall have any right to exercise any ESOS Options granted to the ESOS Participant until the ESOS Options are vested on the ESOS Participant pursuant to these By-Laws. The decision and/or determination of the ESOS Committee on the vesting of the ESOS Option on the ESOS Participant pursuant to these By-Laws shall be final and conclusive.
- 11.4 Unless otherwise determined by the ESOS Committee, if the Vesting Conditions are not fulfilled in accordance with the period as set out in the Award Letter, that ESOS Option(s) shall lapse and be of no value.
- 11.5 Unless otherwise determined by the ESOS Committee but subject to the applicable laws, the unvested ESOS Award shall automatically lapse and be null and void in the event of the death of the ESOS Participant.

12. EXERCISE OF ESOS OPTIONS

- 12.1 For the purpose of exercising the ESOS Option:
- (a) Except as otherwise determined by the ESOS Committee but subject to the applicable laws, the ESOS Option shall be exercisable during the ESOS Participant's lifetime only by the ESOS Participant or, in the event of the ESOS Participant's legal incapacity to do so, the ESOS Participant's guardian or legal representative acting on behalf of the ESOS Participant in a fiduciary capacity under the applicable laws and any required court supervision or, in the case of disability or death of the ESOS Participant, by his legal representative or his estate in accordance with By-Law 12.1(b).
 - (b) In the event where an ESOS Participant dies before the expiration of the Exercise Period and at the time of his death held unexercised ESOS Options, such unexercised ESOS Options may be exercised by the legal or personal representative(s) of the ESOS Participant after the date of his death (subject to the probate or letter of administration being granted and provided), provided that such exercise shall be no later than twenty four (24) months thereafter, unless otherwise approved by the ESOS Committee and provided always that such exercise shall always be subject to any terms and conditions in the Award Letter and no ESOS Option shall be exercised after the expiry of the Exercise Period. All ESOS Options remaining unexercised thereafter shall automatically lapse and become null and void.
- 12.2 Subject to By-Laws 12.3 and 12.8, an ESOS Option can be exercised by the ESOS Participant by notice in the prescribed form to the Company on the date(s) as determined by the ESOS Committee from time to time during the Exercise Period and not less than one hundred (100) Shares or such other units of Shares constituting one (1) board lot as may be determined by the ESOS Committee save and except where the ESOS Participant's balance of ESOS Options exercisable in accordance with these By-Laws shall be less than one hundred (100) Shares or such other units of Shares constituting one (1) board lot as may be determined by the ESOS Committee, in which case the said balance shall, if exercised, be exercised in a single tranche. Any partial exercise of an ESOS Option shall not preclude the ESOS Participant from exercising the ESOS Option in respect of the balance of the Shares comprised in the ESOS Option. For the avoidance of doubt, if the date(s) as determined by the ESOS Committee shall fall on a day which is not a Market Day, then the notice in writing by the ESOS Participant to the Company shall be submitted on the Market Day immediately following the said date(s) of the said month.

- 12.3 Subject to By-Laws 16 and 20, the ESOS Committee may, at any time and from time to time, before and after an ESOS Option is granted, limit the exercise of the ESOS Option to a maximum number of the Shares and/or such percentage of the total Shares comprised in the ESOS Option during such periods within the ESOS Period, subject to the exercise of the ESOS Option to any Vesting Condition determined by the ESOS Committee at its sole and absolute discretion including but not limited to performance/service targets being achieved before an ESOS Option(s) can be exercised and/or impose any other terms and/or conditions (including the time period to exercise the ESOS Option) as the ESOS Committee may, in its sole discretion deem appropriate including amending or varying any terms or conditions imposed earlier.
- 12.4 Every such notice to exercise the ESOS Option referred to in By-Law 12.2 shall be accompanied by a remittance in RM in the form of a bankers' draft or cashiers' order drawn and payable in Malaysia or any other form acceptable to the ESOS Committee for the full amount of subscription monies (calculated in accordance with the provisions of By-Law 12) in relation to the number of the Shares in respect of which the written notice is given.
- 12.5 The Company shall allot and issue such new Shares to the ESOS Participant in accordance with the provisions of the Company's Constitution, the Central Depositories Act and the Rules of Bursa Depository and make an application for the listing of and quotation for the new Shares within eight (8) Market Days from the receipt by the Company of the aforesaid notice and remittance from the ESOS Participant or such other period as may be prescribed by Bursa Securities and the share registrar's office will then despatch the notice of allotment to the ESOS Participant.
- 12.6 The ESOS Committee, the Board and the Company shall not under any circumstances whatsoever be liable for any costs, expenses, charges and damages whatsoever and howsoever arising whether arising directly or indirectly from any delay on the part of the Company in allotting and issuing of the new Shares or in procuring Bursa Securities to list the new Shares for which the ESOS Participant is entitled to subscribe or otherwise or any delay in receipt or non-receipt by the Company of the notice to exercise the ESOS Option or for any errors in any ESOS Award or any other matters or dealings which are outside the control of the Company, the Board and/or the ESOS Committee.
- 12.7 The ESOS Participant who exercises his/her ESOS Option shall provide the ESOS Committee with his/her CDS Account number or the CDS Account number of his/her Authorised Nominee, as the case may be, in the notice referred to in By-Law 12.2. The Shares to be issued pursuant to the exercise of an ESOS Option will be credited directly into the CDS Account of the ESOS Participant or his/her Authorised Nominee, as the case may be, within eight (8) Market Days from the receipt by the Company of the written notice of exercise of the ESOS Option together with the requisite remittance of monies with notice of allotment despatched by the share registrar's office to the ESOS Participant accordingly and no physical share certificate will be issued.
- 12.8 In the event that an ESOS Participant is subject to a performance improvement plan ("PIP")/disciplinary proceedings (whether or not such PIP/disciplinary proceedings will give rise to a dismissal or termination of service) the ESOS Committee shall have the right, to suspend the ESOS Participant's ESOS Option from being vested and/or exercised pending the achievement of the stipulated improvement plan targets by the ESOS Participant/the outcome of such disciplinary proceedings. The ESOS Committee may impose such terms and conditions as the ESOS Committee shall deem appropriate having regard to the nature of the PIP/charges made or brought against the ESOS Participant **PROVIDED ALWAYS THAT:**

- (a) in the event that such ESOS Participant shall subsequently achieve the stipulated improvement plan targets/be found not guilty of the charges which give rise to such disciplinary proceedings, the ESOS Committee shall reinstate the rights of such ESOS Participant to be vested and/or to exercise his/her vested ESOS Option;
- (b) in the event the ESOS Participant fails to achieve the stipulated improvement plan targets/disciplinary proceedings result in a recommendation for the dismissal or termination of service of such ESOS Participant, the ESOS Option (whether or not vested) shall immediately cease without notice and be null and void and of no further force and effect upon pronouncement of the dismissal or termination of service of such ESOS Participant notwithstanding that such recommendation may be subsequently challenged by the ESOS Participant in any other forum; and
- (c) in the event such ESOS Participant only partially achieves the stipulated improvement plan targets/is found guilty but not dismissed or termination of service is not recommended, the ESOS Committee shall have the right to determine at its discretion whether or not the ESOS Participant may continue to be vested and/or to exercise his/her ESOS Option and/or adjust such number of ESOS Options to be vested and if so, to impose such limits, terms and conditions as it deems appropriate, on such vesting and/or exercise.
- (d) The ESOS Committee may, after a warning/caution letter has been issued to an ESOS Participant by the relevant company within the Group suspend the ESOS Participant's ESOS Option from being vested and/or exercised until such time as the ESOS Committee determines at its discretion whether or not the ESOS Participant may continue to be vested and/or exercise his/her ESOS Option and if so, whether to impose such limits, terms and conditions as the ESOS Committee deems appropriate, on such vesting and/or exercise.

For the purpose of this By-Law, an ESOS Participant shall be deemed to be subject to "disciplinary proceedings" if:

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

12.9 All ESOS Options to the extent unexercised and/or unvested on the expiry or earlier termination of the ESOS Period applicable thereto shall lapse.

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

- 12.11 The Company, the Board and the ESOS Committee shall not under any circumstances be held liable to any person for any costs, losses, expenses, damages or liabilities whatsoever and howsoever arising in the event of any delay on the part of the Company in allotting and issuing or crediting the Shares or in procuring the relevant authorities to list and quote the Shares subscribed for by an ESOS Participant (where applicable) or any delay in receipt or non-receipt by the Company of the notice to exercise the ESOS Options or for any errors in any ESOS Options or any other matters or dealings which are outside the control of the Company, the Board and/or the ESOS Committee.
- 12.12 Every ESOS Option shall be subjected to the condition that no Shares shall be vested, issued and/or credited pursuant to the exercise of an ESOS Option if such vesting, issue and/or crediting 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 ESOS Period or such period as may be extended.

13. RIGHTS ATTACHING TO ESOS AWARD(S) AND THE NEW SHARES

- 13.1 The Eligible Persons who have accepted the ESOS Award(s) will not be entitled to any voting rights, dividends, rights, allotments and/or be entitled to participate in any other forms of distribution and/or offer of further securities in the Company until and unless the new Shares are issued to the Eligible Persons.
- 13.2 The new Shares to be allotted upon the vesting and exercise of the ESOS Options shall upon allotment and issuance rank *pari passu* in all respects with the existing Shares save and except that the new Shares shall not be entitled to any dividends, rights, allotments and/or other forms of distributions that may be declared, made or paid, for which the Entitlement Date precedes the date of allotment and issuance of the said new Shares and are subject to the provisions of the Constitution of the Company.
- 13.3 All Shares to be allotted and issued pursuant to the Scheme will be subject to all provisions of the Constitution of the Company and such amendments thereafter, if any.

14. NON-TRANSFERABILITY

- 14.1 An ESOS Option is personal to the ESOS Participant and, prior to the allotment and/or transfer to the ESOS Participant of the Shares to which the ESOS Award relates, shall not be transferred, charged, assigned, pledged or otherwise disposed of (in whole or in part) in any manner whatsoever and exercisable only by the ESOS Participant personally during his/her lifetime whilst he/she is in the employment in any company in the SOPB Group.
- 14.2 Unless permitted under these By-Laws, an ESOS Award or the rights of the ESOS Participants under the ESOS Options shall not be transferred, assigned, disposed of or subject to any encumbrances by the ESOS Participant. Any attempt to transfer, assignment, disposal or encumbrance shall result in the automatic cancellation of the ESOS Option.

15. TERMINATION AND CLAWBACK

- 15.1 Upon occurrence of one or more of the following events prior to (i) the full vesting of the ESOS Award (including prior to the acceptance of the ESOS Award by the Eligible Persons), or (ii) allotment and issuance of any Shares pursuant to the exercise of any ESOS Option, such ESOS Option or the balance thereof that remained unvested, not allotted and issued or unexercised, as the case may be, shall forthwith cease to be valid without any claim against the Company:
- (a) resignation, termination or cessation of employment of an Eligible Person or ESOS Participant, for any reason;
 - (b) expiry, termination or cessation of a contract of service of an Eligible Person or ESOS Participant, for any reason;
 - (c) resignation, retirement or removal of a Director, for any reason;
 - (d) the company which employs the Eligible Person or ESOS Participant ceasing to be part of the Group; or
 - (e) without prejudice to the provisions of By-Laws 12.8, the Eligible Person or ESOS Participant is subject to disciplinary proceedings and the employment of the Eligible Person or ESOS Participant is terminated.
- 15.2 Notwithstanding By-Law 15.1 above, the ESOS Committee may, at its absolute discretion, by notice in writing, stipulate the times or period at or within which such unvested ESOS Award(s) shall vest all or in part (provided that no ESOS Award shall vest after the Date of Expiry) or permit such allotment and issuance of Shares pursuant to the exercise of any ESOS Option all or in part if such cessation occurs by reason of:
- (a) retirement upon or after attaining the retirement age under the Group's retirement policy; or
 - (b) retirement before attaining the normal retirement age with the consent of his/her employer; or
 - (c) redundancy or retrenchment pursuant to the acceptance by that ESOS Participant or a voluntary separation scheme offered by a company within the Group;
 - (d) resignation, retirement or removal of a Director, for any reason, save where such resignation, retirement or removal was due to the breach of duty, gross negligence or wilful misconduct of such Director;
 - (e) transfer to any company outside the Group at the direction of the Company; or
 - (f) ill-health, injury, physical or mental disability; or
 - (g) death, in which event this By-Law shall apply *mutatis mutandis* to the ESOS Participant's legal or personal representatives as if they were the ESOS Participant; or
 - (h) any other reasons or circumstances which are acceptable to the ESOS Committee.

- 15.3 Unless otherwise agreed in writing by the ESOS Committee at its absolute discretion, upon the resignation of the ESOS Participant from his/her employment or contract of service with the Group, an ESOS Option shall lapse forthwith on the date the Participant tenders his/her resignation. Any ESOS Option which lapses upon the resignation of the ESOS Participant from his/her employment with SOPB Group or directorship with SOPB (as the case may be), at the discretion of the ESOS Committee, shall be offered to other Eligible Persons.
- 15.4 In the event a bankruptcy proceeding has commenced against an ESOS Participant, the ESOS Option shall be suspended pending the outcome of the bankruptcy proceedings. If the bankruptcy proceeding is withdrawn, the suspension shall be lifted and the unvested and/or unexercised ESOS Options shall be capable to be vested to the said ESOS Participant. However, an ESOS Option shall immediately become void and of no further force and effect upon the ESOS Participant being adjudicated a bankrupt.
- 15.5 For the avoidance of doubt, in the event of the liquidation or winding up of the Company in accordance with By-Law 32 or termination of the Scheme in accordance with By-Law 5.3, all unexercised or unvested or partially unexercised or partially unvested ESOS Options shall lapse and cease to be valid.
- 15.6 An ESOS Option shall cease to be valid without any claim against the Company upon the happening of any event which results in the ESOS Participant being deprived of the beneficial ownership of the ESOS Option on the date such event occurs.
- 15.7 Upon the termination or cease or lapse of the ESOS Options pursuant to this By-Law, the ESOS Participant shall have no right to compensation or damages or any claim against the Company for any loss of any right or benefit under the Scheme which he/she might otherwise have enjoyed, whether for wrongful dismissal or breach of contract or loss of office or otherwise howsoever arising from his/her ceasing to hold office or employment or under a contract of service or from the suspension of his/her right to exercise or be vested his/her ESOS Options or his/her ESOS Options ceasing to be valid.
- 15.8 Any ESOS Award granted and/or ESOS Options / Shares allotted and issued (as the case may be) to any ESOS Participant pursuant to the Scheme may be subject to any clawback provision which may include cancellation, forfeiture, return, repayment or recovery by the Company as may be ascertained by the ESOS Committee at its sole and absolute discretion.

16. ALTERATION OF SHARE CAPITAL

- 16.1 Notwithstanding anything contained in these By-Laws and subject to any applicable laws and the Listing Requirements, in the event of any alteration in the capital structure of the Company prior to the Date of Expiry, whether by way of capitalisation of profits or reserves, rights issue, bonus issue, capital reduction, capital repayment, consolidation or subdivision of capital or any other variation of capital, the Board may in its discretion in good faith cause such adjustment to be made to the following:
- (a) the Exercise Price and/or number of ESOS Options to the extent not yet vested or exercised; and/or
 - (b) the method and/or manner in the vesting of the ESOS Options.

- 16.2 By-Law 16.1 shall not be applicable where an alteration in the capital structure of the Company arises from any of the following:
- (a) an issue of new Shares or other securities convertible into the Shares or rights to acquire or subscribe for the Shares in consideration or part consideration for an acquisition of any other securities, assets or business;
 - (b) a special issue of new Shares to Bumiputera investors nominated by the Ministry of Investment, Trade and Industry, Malaysia and/or other government authority to comply with the Government policy on Bumiputera capital participation;
 - (c) a private placement/restricted issue of new Shares by the Company;
 - (d) an issue of new Shares arising from the exercise of any conversion rights attached to securities convertible to the Shares or upon exercise of any other rights including warrants and/or convertible loan stocks (if any) issued by the Company;
 - (e) any issue of Shares pursuant to a dividend reinvestment scheme or share dividend in accordance with the Listing Requirements so as long as it is not a Capital Distribution (as defined in the **Schedule**) or bonus issue;
 - (f) an issue of new Shares upon the exercise of ESOS Option(s) (if any) pursuant to the Scheme;
 - (g) a share buy-back arrangement by the Company, pursuant to Section 127 of the Act;
 - (h) an issue of further ESOS Option(s) to Eligible Persons under these By-Laws and the Existing ESOS; and
 - (i) any other proposals which will not result in an adjustment to the reference price of the Shares and as amended from time to time by the relevant authorities such as Bursa Securities and Securities Commission Malaysia.
- 16.3 In the event that the Company enters into any scheme of arrangement or reconstruction pursuant to Part III (Division 7, Subdivision 2) of the Act, By-Law 16.1 shall be applicable in respect of such part(s) of the scheme which involve(s) any alteration(s) in the capital structure of the Company, save that By-Law 16.2 shall be applicable in respect of such part(s) of the Scheme which involve(s) any alteration(s) in the capital structure of the Company which falls within By-Law 16.2.
- 16.4 Unless otherwise determined by the ESOS Committee, the aforementioned adjustments shall be effective on the day immediately following the book closure date for the event giving rise to that adjustment.
- 16.5 The alterations as set out in the foregoing paragraph shall be in such a manner as to give the Eligible Persons a fair and reasonable ESOS Award entitlement, as certified in writing (other than for adjustments made pursuant to a bonus issue) by the auditor or adviser of the Company (acting as an expert and not as an arbitrator) as being in its opinion fair and reasonable. Such confirmation shall be final and binding in all respects, provided that:
- (i) upon any adjustment being made pursuant to this section, the ESOS Committee shall notify the Eligible Persons (or his personal representatives, where applicable) in writing:
 - (a) the adjusted number ESOS Options comprised in the ESOS Award(s);
 - (b) the revised maximum number of ESOS Options comprised in the ESOS Award(s): and/or

- (c) percentage of the total ESOS Options comprised in the ESOS Award(s),
that may vest at any time or in any period which supersedes the earlier ESOS Award(s); and
- (ii) in the event that a fraction of a Share and/or Option arising from the adjustments referred to in this section would otherwise be required to be issued upon the vesting of ESOS Options under an ESOS Award, the Eligible Person's entitlement shall be rounded down to the nearest whole number and any adjustment to the Exercise Price shall be rounded up to the nearest one (1) sen.

For the purposes of this By-Law, an approved company auditor shall have the meaning given in Section 2 of the Act and shall be the external auditors for the time being of the Company or such other external auditors as may be nominated by the Board.

- 16.6 The Board shall be guided by the adjustments as provided in the **Schedule** in determining the adjustments to be made pursuant to this By-Law 16.
- 16.7 Upon any adjustment being made, the ESOS Committee shall within twenty (20) Market Days give notice in writing to the ESOS Participant (or his/her duly appointed personal representatives where applicable), to inform him/her of the adjustment and the event giving rise thereto.
- 16.8 Notwithstanding the other provisions referred to in the **Schedule**, in any circumstances where the ESOS Committee considers that adjustments to the Exercise Price and/or any Shares relating to ESOS Options to be issued or vested as provided for under the provisions hereof should not be made, or should be or should not be calculated on a different basis or different date or that an adjustment to the Exercise Price and/or the adjustments to the number of the Shares to be issued or vested relating to ESOS Options should be made notwithstanding that no adjustment is required under the provisions hereof, the Company may appoint an Adviser and/or an auditor to consider whether for any reasons whatever the adjustment calculation or determination to be made (or the absence of an adjustment calculation or determination) is appropriate or inappropriate as the case may be. If such Adviser and/or auditor shall consider the adjustment calculation or determination to be inappropriate, the adjustments shall be modified or nullified (or an adjustment calculation or determination made even though not required to be made) in such manner as may be considered by such Adviser and/or auditor to be in their opinion appropriate.

17. QUOTATION OF NEW SHARES

- 17.1 Upon the allotment of the new Shares pursuant to the exercise of an ESOS Option, the Company shall make an application to Bursa Securities for its permission for the listing of and quotation for the new Shares so allotted in accordance with By-Law 12.5.
- 17.2 The Company and the ESOS Committee shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and however relating to the delay on the part of the Company in allotting and issuing the Shares or in procuring Bursa Securities to list the Shares for which the Participant(s) is entitled to.

18. RETENTION PERIOD

- 18.1 The new Shares to be allotted and issued to the ESOS Participant pursuant to this Scheme will not be subject to any retention period or restriction on transfer unless otherwise determined by the ESOS Committee and stated in the terms of the ESOS Award(s) and subject to this By-Law. The expression "retention period" shall mean the period in which the Shares are awarded and issued pursuant to the Scheme must not be sold, transferred, assigned or otherwise disposed by the ESOS Participant(s). However, the ESOS Participant is encouraged to hold the Shares as an investment and not for any speculative purposes and/or for realisation of any immediate gains from disposal.
- 18.2 Notwithstanding By-Law 18.1 above, the ESOS Committee shall be entitled to prescribe or impose, in relation to any ESOS Award(s), any condition relating to any retention period or restriction on transfer (if applicable) as the ESOS Committee sees fit.
- 18.3 Notwithstanding By-Law 18.1 above, if ESOS Options are issued pursuant to the ESOS Awards granted to the non-executive Directors, the non-executive Directors must not sell, transfer or assign shares obtained through the exercise of the ESOS Options offered to them pursuant to the Scheme within one (1) year from the date of award of the ESOS Award in accordance with paragraph 8.20 of the Listing Requirements

19. ADMINISTRATION BY ESOS COMMITTEE

- 19.1 This Scheme shall be administered by the ESOS Committee comprising, among others, non-executive Directors and/or chief executive officer of the Company and such other person as shall be appointed from time to time by the Board. The Board shall have the discretion as it deems fit to approve, rescind and/or revoke the appointment of any person in the ESOS Committee.
- 19.2 The ESOS Committee shall be vested with such powers and duties as are conferred upon it by the Board to administer the Scheme in such manner as it shall in its discretion deem fit, in accordance with the provisions set out in the By-Laws.
- 19.3 Without limiting the generality of By-Law 19.2, the ESOS Committee may, for the purpose of administering the Scheme, do all acts and things, rectify any error(s) in the ESOS Award(s), enter into any transactions, agreements, deeds, documents or arrangements, and make rules, regulations or impose terms and conditions or delegate part of its power relating to the Scheme which the ESOS Committee may in its discretion consider to be necessary or desirable for giving full effect to the Scheme, including the powers to:
- (a) subject to the provisions of the Scheme, construe and interpret the Scheme and ESOS Award(s) granted under it, to define the terms therein and to recommend to the Board to establish, amend and revoke rules and regulations relating to the Scheme and its administration. The ESOS Committee in the exercise of this power may correct any defects, supply any omission, or reconcile any inconsistency in the Scheme or in any agreement providing for the ESOS Award(s) in a manner and to the extent it shall deem necessary to expedite and make the Scheme fully effective;
 - (b) determine all questions of policy and expediency that may arise in the administration of the Scheme and generally exercise such powers and perform such acts as are deemed necessary and/or expedient to promote the best interests of the Company; and
 - (c) do all acts and things, rectify any errors in an ESOS Award, execute all documents and delegate any of its powers and duties relating to the Scheme as it may at its discretion consider necessary or desirable for giving effect to the Scheme.

- 19.4 In implementing the Scheme, the Shares to be given to the ESOS Participants pursuant to the exercise of the ESOS Options under the ESOS Awards will be fully satisfied via the allotment and issuance of new Shares.
- 19.5 Any decision or determination of the ESOS Committee made pursuant to the provisions of the Scheme (other than a matter to be certified and/or approved by the auditors or Advisers) shall be final, binding and conclusive (including for the avoidance of doubt, any decision pertaining to any dispute as to the interpretation of the Scheme or any rule, regulation or procedure hereunder or as to any rights under the Scheme). The ESOS Committee shall not be required to furnish any reason for any decision or determination made by it except as may be required by the relevant authorities.
- 19.6 Neither the Scheme nor ESOS Award under the Scheme shall impose on the Company, the Board, or the ESOS Committee or any of its members any liability whatsoever in connection with:
- (a) the lapse of any ESOS Award pursuant to any provision of the Scheme;
 - (b) the failure or refusal by the ESOS Committee to exercise, or the exercise by the ESOS Committee of, any discretion under the Scheme; and/or
 - (c) any decision or determination of the ESOS Committee made pursuant to any provision of the Scheme.
- 19.7 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 ESOS Committee as it shall deem fit.

20. AMENDMENT AND/OR MODIFICATION TO THE SCHEME

- 20.1 Subject to the compliance with the requirements of Bursa Securities and any other relevant authorities and their approvals being obtained (if required under the Listing Requirements and applicable laws and regulations), the ESOS Committee may at any time and from time to time recommend to the Board any additions or amendments or modifications to or deletions of these By-Laws as it shall, at its sole and absolute discretion, deem fit and the Board shall have the power by resolution to add to, amend, modify and/or delete all or any of these By-Laws upon such recommendation **PROVIDED ALWAYS THAT** no additions or amendments to or deletions of these By-Laws shall be made which will:
- (a) prejudice any rights then accrued to any ESOS Participant without the prior consent or sanction of that ESOS Participant (as the case may be);
 - (b) increase the number of the new Shares made available under the Scheme beyond the Maximum Shares set out in By-Law 4 above;
 - (c) prejudice any rights of the shareholders of the Company without the prior approval of the Company's shareholders in a general meeting; or
 - (d) alter to the advantage of any Eligible Person in respect of any matters which are required to be contained in the By-Laws by virtue of Appendix 6E of the Listing Requirements,

without the prior approval of Bursa Securities and/or the Company's shareholders in a general meeting unless required otherwise by the provisions of the Listing Requirements and/or applicable laws and regulations.

- 20.2 Any amendments/modifications to the By-Laws shall not contravene any of the provisions stipulated under the Listing Requirements and/or any other relevant regulatory authority in relation to share issuance schemes.
- 20.3 Upon amending and/or modifying all or any of the provisions of the Scheme, the Company shall within five (5) Market Days after the effective date of the amendments caused to be submitted to Bursa Securities the amended By-Laws and a confirmation letter in the form required under the Listing Requirements that the said amendment and/or modification complies and does not contravene any of the provisions of the Listing Requirements on share issuance schemes and the Rules of Bursa Depository.
- 20.4 The ESOS Committee shall within ten (10) Market Days of any amendment and/or modification made pursuant to these By-Laws notify the ESOS Participants in writing of any amendment and/or modification made pursuant to these By-Laws.

21. DISPUTES AND ERRORS AND OMISSIONS

- 21.1 In case any dispute or difference shall arise between the ESOS Committee and an Eligible Person and/or an ESOS Participant as to any provisions contained in these By-Laws, the ESOS Committee shall determine such dispute or difference by a decision given to the Eligible Person and/or the ESOS Participant. The said decision shall be final and binding on the parties unless the Eligible Person and/or the ESOS Participant within fourteen (14) Calendar Days of the receipt thereof by a notice to the ESOS Committee, disputes the same in which case such dispute or difference shall be referred to the decision of the Adviser and/or the auditor (as selected by the ESOS Committee at its absolute discretion) (acting as experts and not as arbitrators) whose decision shall be final and binding in all respects.
- 21.2 Notwithstanding anything herein to the contrary, any costs and expenses incurred in relation to any dispute or difference brought by any party to the ESOS Committee shall be borne by such party.

22. SCHEME NOT A TERM OF EMPLOYMENT OR CONTRACT OF SERVICE

This Scheme shall not form part of or constitute or in any way be construed as a term or condition of employment or contract of service of any Eligible Person. 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 or contract of service in the Group nor any rights in addition to any compensation or damages that the Eligible Person may be normally entitled to arising from the cessation of such employment or contract of service. The terms of employment or contract of service of an Eligible Person shall not be affected by his/her participation in the Scheme.

23. COSTS AND EXPENSES

All fees, costs and expenses incurred in relation to the administration and management of the Scheme including but not limited to the fees, costs and expenses relating to the allotment and issue of new Shares pursuant to the exercise or vesting of any ESOS Option shall be borne by the Company. Notwithstanding this, the ESOS Participant shall bear any fees, costs and expenses incurred in relation to his/her acceptance of an ESOS Award and exercise of the ESOS Option, opening and maintaining of his/her respective CDS Account and sale of the Shares in the market.

24. CONSTITUTION

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

25. TRANSFER FROM OTHER COMPANIES TO THE GROUP

In the event that:

- (i) A person who was employed or under a contract of service in a company which is not within the Group and is subsequently transferred from such company to any company within the Group; or
- (ii) A person who was in the employment or under a contract of service with a company which subsequently becomes a member of the Group as a result of a restructuring exercise or otherwise involving the Company and/or any company within the Group with any of the first mentioned company stated in (i) above;

(the first mentioned company in (i) and (ii) above are hereinafter referred to as the "**Previous Company**"), such person of the Previous Company ("**the Affected Person**"), subject to By-Law 5, will be eligible to participate in the Scheme only for the remaining duration of the Scheme, if the Affected Person becomes an "Eligible Person" within the meaning under these By-Laws, subject always to the ESOS Committee's discretion.

For the avoidance of doubt, in the event of any acquisition or incorporation of any company into the Group pursuant to part (ii) above as a subsidiary pursuant to Section 4 of the Act, the Scheme shall apply to the employees of such company on the date such company becomes a subsidiary of the Group (provided that such subsidiary is not dormant) falling within the meaning of the expression of "Eligible Person" under these By-laws.

26. DIVESTMENT FROM THE GROUP

26.1 If an ESOS Participant who held office or was in employment or under a contract of service with a company which ceases to be a company within the Group due to a subsequent disposal or divestment (in whole or in part) from the Group, then such ESOS Participant:

- (a) shall cease to be capable of being vested any unvested ESOS Award(s) awarded to him/her under the Scheme, unless otherwise determined by the ESOS Committee;
- (b) will not be entitled to exercise any unexercised vested ESOS Options, unless the ESOS Committee at its discretion permit such exercise of the unexercised vested ESOS Option or the vesting of the unvested ESOS Award(s) including its allocation thereof. For the avoidance of doubt, save and except to the extent permitted by the ESOS Committee, all existing ESOS Award(s) shall automatically lapse and be null and void and of no further force and effect; and
- (c) shall not be eligible to participate for further ESOS Award(s) under the Scheme as from the date of completion of such divestment, unless approved by the ESOS Committee in writing.

26.2 For the purpose of By-Law 26.1, a company shall be deemed to be divested from the Group in the event that such company would no longer be a subsidiary of the Company pursuant to Section 4 of the Act.

27. TAKEOVER AND DISPOSAL OF ASSETS

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

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

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

In the foregoing circumstances, all ESOS Award(s) which the ESOS Committee permits to be vested and/or exercisable, shall automatically lapse and become null and void to the extent remain unvested and/or unexercised by the date prescribed by the ESOS Committee notwithstanding that the ESOS Award vesting date has not commenced or has not expired.

28. SCHEME OF ARRANGEMENT, AMALGAMATION AND RECONSTRUCTION

Notwithstanding By-Law 12 and subject to the discretion of the ESOS Committee, in the event of the court sanctioning a compromise or arrangement between the Company and its members proposed for the purposes of, or in connection with, a scheme of arrangement and reconstruction of the Company or its amalgamation with any other company or companies, the ESOS Committee may at its absolute discretion decide whether an ESOS Participant may be entitled to be vested and/or to exercise all or any of his/her vested and unexercised ESOS Award(s) at any time commencing from the date upon which the compromise or arrangement is sanctioned by the court and ending on the date upon which it becomes effective **PROVIDED ALWAYS THAT** no ESOS Award(s) shall be vested and no ESOS Award(s) shall be subscribed and/or exercised after the expiry of the ESOS Award vesting date. Upon the compromise or arrangement becoming effective, all unvested and/or unexercised ESOS Award(s) shall automatically lapse and shall become null and void and of no further force and effect.

29. NO COMPENSATION

29.1 No Eligible Person shall be entitled to any compensation for damages arising from the termination of the ESOS Award(s) or this Scheme pursuant to the provisions of these By-Laws.

29.2 Notwithstanding any provisions of these By-Laws:

- (a) this Scheme shall not confer on any person any legal or equitable right or other rights under any other law (other than those constituting the ESOS Award(s)) 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 law against any company within the Group;
- (b) No ESOS Participant(s) or his/her legal representative (as the case may be) shall bring any claim, action or proceeding against any company in the Group, their directors, the ESOS Committee or any other party for compensation, loss or damages whatsoever and howsoever arising from the suspension/cancellation of his/her rights to his/her ESOS Award(s) or his/her ESOS Award(s) ceasing to be valid pursuant to the provisions of these By-Laws; and
- (c) the Company, the Board (including Directors that had resigned but were on the Board during the duration of the Scheme) or the ESOS Committee shall in no event be liable to the ESOS Participant(s) or his/her legal representative (as the case may be) or any other person or entity for any third party claim, loss of profits, loss of opportunity, loss of savings or any punitive, incidental or consequential damage, including without limitation lost profits or savings, directly or indirectly arising from the breach or non-performance of these By-Laws or any loss suffered by reason of any change in the price of the 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 ESOS Committee has been advised of the possibility of such damage.

30. TAXES

All costs, fees, levies, charges and/or taxes (including, without limitation, income tax), if any, arising from exercising of the ESOS Option(s) under the Scheme shall be borne by the ESOS Participant(s) 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.

31. DISCLOSURES IN ANNUAL REPORT

The Company will make such disclosures in its annual report for as long as the Scheme continues in operation as from time to time required by the Listing Requirements including (where applicable) a statement by the audit committee verifying that the allocation of Shares pursuant to the Scheme is in compliance with the criteria for allocation.

32. WINDING UP

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

33. SEVERABILITY

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

34. GOVERNING LAW AND JURISDICTION

- 34.1 These By-Laws shall be governed by and construed in accordance with the laws of Malaysia and the ESOS Participant shall submit to the exclusive jurisdiction of the Courts of Sabah and Sarawak 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 be instituted or taken in Malaysia and the ESOS Participant irrevocably and unconditionally waives any objection on the ground of venue or forum non-convenience or any other grounds.
- 34.3 Any ESOS Award made to Eligible Persons pursuant to the Scheme shall be valid strictly in Malaysia only unless specifically mentioned otherwise by the ESOS Committee in the ESOS Award.

35. NOTICE

- 35.1 Any notice or request which the Company is required to give, or may desire to give, to any Eligible Person or the ESOS Participant 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 ESOS Participant at the last address known to the Company as being his/her address, such notice shall be deemed to have been received three (3) Market Days after posting;
 - (b) if it is given by hand to the Eligible Person or the ESOS Participant, 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 ESOS Participant, such notice or request shall be deemed to have been received upon confirmation or notification received after the sending of notice or request by the Company.

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

- 35.2 Any certificate, notification, correspondence or other notice required to be given to the Company or the ESOS Committee shall be properly given if in writing and sent by registered post or delivered by hand (with acknowledgement of receipt) to the Company at its business address at 124-126, Jalan Bendahara, 98000 Miri, Sarawak, Malaysia or any other business address which may be notified in writing by the ESOS Committee from time to time.

- 35.3 Notwithstanding By-Law 35.1, where any notice is required to be given by the Company or the ESOS Committee under these By-Laws in relation to matters which may affect all the Eligible Persons or ESOS Participants, as the case may be, the Company or the ESOS Committee may give notice through an announcement to all employees of the Group to be made in such manner deemed appropriate by the ESOS Committee. Upon the making of such an announcement, the notice to be made under By-Law 35.1 shall be deemed to be sufficiently given, served or made to all affected Eligible Person or ESOS Participants, as the case may be.

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THE SCHEDULE

In addition to By-Law 16.1 and not in derogation thereof, the Exercise Price and the number of the Shares relating to the ESOS Option so far unvested and/or unexercised shall from time to time be adjusted by the ESOS Committee in accordance with the following relevant provisions in consultation with an Adviser and/or an auditor:

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

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

$$(ii) \quad \text{Additional number of the Shares} = \frac{T \times M}{L} - T$$

where:

L = the aggregate number of the Shares in issue and fully paid-up immediately prior to the consolidation or subdivision or conversion;

M = the aggregate number of the Shares in issue and fully paid-up immediately after such consolidation or subdivision or conversion;

S = existing Exercise Price; and

T = Existing number of the Shares relating to the ESOS Option.

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

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

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

and the additional number of the Shares relating to the ESOS Option to be issued shall be calculated as follows:

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

where:

A = the aggregate number of issued and fully paid-up Shares on the Entitlement Date immediately before such capitalisation;

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

T = as above.

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

(c) If and whenever the Company shall make:

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

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

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

and in respect of the case referred to in Clause (c)(ii) above, the adjusted number of the Shares comprised in the ESOS Option to be issued shall be calculated as follows:

$$\text{Adjusted Number of the Shares} = \left(\frac{T \times C}{C - D^*} \right)$$

where

T = as above;

C = the Current 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 announcement of the Entitlement Date of the Capital Distribution or, as the case may be, of the offer or invitation; and

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

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

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

where:

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

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

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

where:

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

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

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

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

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

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

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

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

where:

- B = as B above;
- C = as C above;
- G = the aggregate number of issue and fully paid-up Shares on the Entitlement Date;
- H = the aggregate number of new Shares under an offer or invitation to acquire or subscribe for the Shares by way of rights or under an offer or invitation by way of rights to acquire or subscribe for securities convertible into the Shares or rights to acquire or subscribe for the Shares, as the case may be;
- H* = the aggregate number of new Shares under an offer or invitation to acquire or subscribe for the Shares by way of rights;
- I = the subscription price of one (1) additional Share under the offer or invitation to acquire or subscribe for the 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 the Shares; and
- T = as T above.

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

- (e) If and whenever the Company makes any offer or invitation to its ordinary shareholders to acquire or subscribe for the Shares as provided in Clause (c)(ii) above together with an offer or invitation to acquire or subscribe for securities convertible into or rights to acquire or subscribe for ordinary shareholders as provided in Clause (c)(iii) above, 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 adjusted number of the Shares relating to the ESOS Option to be issued shall be calculated as follows:

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

where:

C = as C above;

G = as G above;

H = as H above;

H* = as H* above;

I = as I above;

I* = as I* above;

J = the aggregate number of the Shares to be issued to its ordinary shareholders upon conversion of such securities or exercise of such rights to subscribe for the 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 = As T above.

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

- (f) If and whenever the Company makes an allotment to its ordinary shareholders as provided in Clause (b) above and also makes an offer or invitation to acquire or subscribe for the Shares to its ordinary shareholders as provided in Clause (c)(ii) above, together with rights to acquire or subscribe for the Shares as provided in Clause (c)(ii) 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 adjusted number of the Shares relating to the ESOS Option to be issued shall be calculated as follows:

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

where:

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

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

- (g) If and whenever (otherwise than pursuant to a rights issue available to all ordinary shareholders and requiring an adjustment under Clauses (c)(i), (c)(ii), (d), (e) or (f) above), the Company shall issue either any Shares or any securities convertible into new Shares or with rights to acquire or subscribe for the Shares, and in any such case, the Total Effective Consideration per Share (as defined below) is less than 90% of the Average Price (as defined below) for one (1) Share 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 for the ESOS Award(s) shall be adjusted by multiplying it by the following fraction:

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

where:

- L = the number of the 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 the 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 the Shares so issued or, in the case of securities convertible into the Shares or securities with rights to acquire or subscribe for the Shares, the maximum number (assuming no adjustment of such rights) of the Shares issuable upon full conversion of such securities or the exercise in full of such rights.

For the purpose of this paragraph (g), the "Total Effective Consideration" shall be determined by the ESOS Committee with the concurrence of the advisors and/or external auditors shall be:

- (i) in the case of the issue of the 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 the Shares, the aggregate consideration attributable to the issue of such rights together with the total amount receivable by the Company upon full exercise of such rights;

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

For the purpose of this paragraph (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 (1) 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 Market Day immediately following the date on which the issue is announced, or (failing any such announcement) on the Market Day immediately following the date on which the Company determines the subscription price of such Shares. Each 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 this Schedule:
 - (i) "Current Market Price" means in relation to each Share for any relevant day the five (5) day volume weighted average market price for each Share on Bursa Securities for the five (5) consecutive Market Days before such date for one or more board lots of Shares on Bursa Securities or in such other manner as may from time to time be stipulated in any guidelines prescribed by any competent authorities, if any.

1. RESPONSIBILITY STATEMENT

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

2. CONSENT AND DECLARATION OF CONFLICT IN INTEREST

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

State Financial Secretary Sarawak (“**SFSS**”) is a major shareholder of Affin Hwang IB via its direct shareholding in Affin Bank Berhad, being the holding company of Affin Hwang IB. SFSS is also a major shareholder of our Company via its direct shareholding and indirect shareholding via LCDA Holdings Sdn Bhd in our Company. Notwithstanding the above, we are of the view that the appointment of Affin Hwang IB as the Principal Adviser to our Company in relation to the Proposed ESOS will not give rise to any conflict of interest situation or any conflict of interest situation is likely to exist in view of the following:

- (i) Affin Hwang IB is a licensed investment bank and its appointment as the Principal Adviser for the Proposed ESOS is in the ordinary course of its business (i.e. the provision of corporate advisory services with respect to the regulatory requirements for the Proposed ESOS). Affin Hwang IB does not have any interest in the Proposed ESOS other than as the Principal Adviser based on the terms of engagement which are mutually agreed between both parties. Further, Affin Hwang IB does not receive or derive any financial interest or benefit, save for the professional fees received in relation to its appointment as the Principal Adviser for the Proposed ESOS;
- (ii) The Corporate Finance division of Affin Hwang IB is required under its investment banking licence to comply with strict policies and guidelines issued by the Securities Commission Malaysia, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, among others, the establishment of Chinese Wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations; and
- (iii) The Proposed ESOS will be undertaken in accordance with the By-Laws. The ESOS Committee will be responsible to administer the Proposed ESOS in accordance with the By-Laws. Further, the ESOS Committee, subject to the approval of our Board, will award the ESOS Awards accordingly to the Eligible Persons subject to the terms and conditions of the By-Laws.

3. MATERIAL LITIGATION

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

4. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

Save as disclosed below, as at 31 December 2025 (being the latest audited results available), our Board is not aware of any other material commitments or contingent liabilities incurred or known to be incurred by our Group, which upon becoming enforceable may have a material effect on the business or financial position of our Group.

As at 31 December 2025	
RM'000	
Material Commitments	
Contracted but not provided for in the financial statements	
- Property, plant and equipment	96,602
- Bearer plants	12,128
- Other investment	17,652
	126,382

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are made available for inspection during normal office hours on Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of our AGM, at the Registered Office of our Company at No. 124-126, Jalan Bendahara, 98000 Miri, Sarawak:

- (i) our Constitution;
- (ii) the audited consolidated financial statements of our Company for the past 2 FYEs 31 December 2024 and 31 December 2025;
- (iii) the letter of consent referred to in Section 2 of Appendix II of this Circular; and
- (iv) the By-Laws governing the Proposed ESOS as set out in Appendix I of this Circular.



SARAWAK OIL PALMS BERHAD
(Registration No.: 196801000358 (7949-M))
(Incorporated in Malaysia)

EXTRACT OF NOTICE OF 58TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 58TH ANNUAL GENERAL MEETING OF SARAWAK OIL PALMS BERHAD (“SOPB” OR “COMPANY”) WILL BE HELD AT CONFERENCE ROOM OF IMPERIAL HOTEL, JALAN POS, 98000 MIRI, SARAWAK ON 25 JUNE 2026 AT 10:00A.M. FOR THE FOLLOWING PURPOSES:

AS SPECIAL BUSINESSES:

To consider and, if thought fit, to pass the following ordinary resolutions:

PROPOSED ESTABLISHMENT OF AN EMPLOYEES’ SHARE OPTION SCHEME (“ESOS”) OF UP TO TEN PERCENT (10%) OF THE TOTAL NUMBER OF ISSUED ORDINARY SHARES OF SOPB (“SOPB SHARES” OR “SHARES”) (EXCLUDING TREASURY SHARES, IF ANY) (“PROPOSED ESOS”) FOR THE ELIGIBLE DIRECTORS OF SOPB AND ELIGIBLE EMPLOYEES OF SOPB AND ITS SUBSIDIARIES

Resolution 13

"THAT subject to the approvals of all relevant regulatory authorities being obtained (where applicable), and to the extent permitted by law and the Constitution of the Company, the Board of Directors of the Company (“**Board**”), be and is hereby authorised and empowered to:

- (i) establish and implement the Proposed ESOS of up to 10% of the total number of SOPB Shares (excluding treasury shares, if any) at any one time during the duration of the Proposed ESOS for the eligible directors of SOPB and the employees of SOPB and its subsidiaries who fulfil the eligibility criteria of the Proposed ESOS (“**Eligible Persons**”), and who are selected by the committee to be appointed and authorised by the Board to administer and implement the Proposed ESOS (“**ESOS Committee**”), in accordance with the provisions of the by-laws governing the Proposed ESOS (“**By-Laws**”). The ESOS Committee will have the sole and absolute discretion in administering the Proposed ESOS in accordance with the By-Laws and the terms of reference of the ESOS Committee;
- (ii) allot and issue such number of new SOPB Shares in relation to the exercise of the share options granted under the Proposed ESOS (“**ESOS Awards**”), to the eligible employees and directors who have accepted the offer made in writing to them by the ESOS Committee, fulfilled the relevant vesting conditions and exercised their share options granted under the Proposed ESOS, in accordance with the By-Laws:
 - (a) provided that the maximum number of new SOPB Shares which may be made available under the Proposed ESOS and the existing employees’ share option scheme which was effective from 19 September 2017 and expiring on 18 September 2027 (“**Existing ESOS**”) shall not in aggregate exceed 15% of SOPB’s total number of issued Shares (excluding treasury shares, if any) at any point in time during the duration of the Proposed ESOS and Existing ESOS;
 - (b) that such new SOPB Shares to be allotted and issued pursuant to the Proposed ESOS will, upon allotment and issuance, rank equally in all respects with the then existing SOPB Shares, save and except

that such new Shares will not be entitled to any voting rights, dividends, rights, allotments and/or any other forms of distribution that may be declared, made or paid, for which the entitlement date of such dividends, rights, allotments and/or any other forms of distribution precedes the date of allotment and issuance of the new Shares pursuant to the Proposed ESOS;

- (c) add, delete, modify and/or amend any of the terms as set out in the By-Laws upon recommendation by the ESOS Committee from time to time as may be permitted or deemed necessary by the Board, provided that such additions, deletions, modifications, and/or amendments are effected in accordance with the provisions of the By-Laws; and
- (d) do all such acts, deeds and things and execute, sign and deliver on behalf of the Company, all such documents and enter into all such transactions, arrangements, agreements, instruments, deeds and/or undertakings, to make all such rules or regulations, or impose such terms and conditions and/or delegate part of its power and to generally exercise such powers and perform such acts as may be necessary or expedient to give full effect to the Proposed ESOS and the terms of the By-Laws;

AND THAT it is hereby approved and determined in this general meeting, in accordance with Article 52 of the Company's Constitution (read together with subsection 85(1) of the Companies Act 2016 ("Act")), that the Board shall allot and issue new SOPB Shares, as required, under the Proposed ESOS in accordance with the By-Laws, without such SOPB Shares being required to be offered to the shareholders of SOPB in proportion, as nearly as may be, to the number of SOPB Shares held by them or at all and effectively resulting in the shareholders of SOPB waiving their pre-emptive rights under Article 52 of the Company's Constitution (read together with subsection 85(1) of the Act) to be offered all or any part of the new SOPB Shares to be issued, if any, pursuant to the Proposed ESOS;

AND THAT the Board be and is hereby authorised to give effect to the Proposed ESOS with full power to assent to any conditions, modifications, variations and/or amendments (including assenting to such modifications, variations and/or amendments to the By-Laws) in any manner as required by the relevant authorities or as the Board may deem fit, necessary and expedient in order to implement, finalise and give full effect to the Proposed ESOS;

AND THAT the proposed By-Laws of the Proposed ESOS, as set out in Appendix I of the circular to shareholders dated 28 April 2026, which is in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, be and is hereby approved and adopted."

PROPOSED GRANTING OF ESOS AWARDS TO LING LU KUANG

Resolution 14

"THAT subject to the passing of the Ordinary Resolution 13 and the approvals of the relevant authorities being obtained, approval be and is hereby given to the Board to authorise the ESOS Committee from time to time throughout the duration of the Proposed ESOS, to offer and grant **LING LU KUANG** under the Proposed ESOS (in the form of ESOS Award(s)) of up to 3,000,000 new Options, in accordance with the Listing Requirements (where applicable) or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time, for the purposes set out in the Circular and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provision of the By-Laws."

PROPOSED GRANTING OF ESOS AWARDS TO LING CHIONG SING

Resolution 15

“THAT subject to the passing of the Ordinary Resolution 13 and the approvals of the relevant authorities being obtained, approval be and is hereby given to the Board to authorise the ESOS Committee from time to time throughout the duration of the Proposed ESOS, to offer and grant **LING CHIONG SING** under the Proposed ESOS (in the form of ESOS Award(s)) of up to 150,000 new Options, in accordance with the Listing Requirements (where applicable) or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time, for the purposes set out in the Circular and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provision of the By-Laws.”

PROPOSED GRANTING OF ESOS AWARDS TO LING PAU PAU

Resolution 16

“THAT subject to the passing of the Ordinary Resolution 13 and the approvals of the relevant authorities being obtained, approval be and is hereby given to the Board to authorise the ESOS Committee from time to time throughout the duration of the Proposed ESOS, to offer and grant **LING PAU PAU** under the Proposed ESOS (in the form of ESOS Award(s)) of up to 150,000 new Options, in accordance with the Listing Requirements (where applicable) or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time, for the purposes set out in the Circular and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provision of the By-Laws.”

PROPOSED GRANTING OF ESOS AWARDS TO TANG TIONG ING

Resolution 17

“THAT subject to the passing of the Ordinary Resolution 13 and the approvals of the relevant authorities being obtained, approval be and is hereby given to the Board to authorise the ESOS Committee from time to time throughout the duration of the Proposed ESOS, to offer and grant **TANG TIONG ING** under the Proposed ESOS (in the form of ESOS Award(s)) of up to 150,000 new Options, in accordance with the Listing Requirements (where applicable) or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time, for the purposes set out in the Circular and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provision of the By-Laws.”

PROPOSED GRANTING OF ESOS AWARDS TO DATU SR HAJI ZAIDI BIN HAJI MAHDI

Resolution 18

“THAT subject to the passing of the Ordinary Resolution 13 and the approvals of the relevant authorities being obtained, approval be and is hereby given to the Board to authorise the ESOS Committee from time to time throughout the duration of the Proposed ESOS, to offer and grant **DATU SR HAJI ZAIDI BIN HAJI MAHDI** under the Proposed ESOS (in the form of ESOS Award(s)) of up to 150,000 new Options, in accordance with the Listing Requirements (where applicable) or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time, for the purposes set out in the Circular and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provision of the By-Laws.”

PROPOSED GRANTING OF ESOS AWARDS TO BIBI UMIZAH BINTI OSMAN

Resolution 19

“THAT subject to the passing of the Ordinary Resolution 13 and the approvals of the relevant authorities being obtained, approval be and is hereby given to the Board to authorise the ESOS Committee from time to time throughout the duration of the Proposed ESOS, to offer and grant **BIBI UMIZAH BINTI OSMAN** under the Proposed ESOS (in the form of ESOS Award(s)) of up to 150,000 new Options, in accordance with the Listing Requirements (where applicable) or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time, for the purposes set out in the Circular and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provision of the By-Laws.”

PROPOSED GRANTING OF ESOS AWARDS TO DATU HASMAWATI BINTI SAPAWI

Resolution 20

“THAT subject to the passing of the Ordinary Resolution 13 and the approvals of the relevant authorities being obtained, approval be and is hereby given to the Board to authorise the ESOS Committee from time to time throughout the duration of the Proposed ESOS, to offer and grant **DATU HASMAWATI BINTI SAPAWI** under the Proposed ESOS (in the form of ESOS Award(s)) of up to 150,000 new Options, in accordance with the Listing Requirements (where applicable) or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time, for the purposes set out in the Circular and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provision of the By-Laws.”

PROPOSED GRANTING OF ESOS AWARDS TO CHUA CHEN SAN

Resolution 21

“THAT subject to the passing of the Ordinary Resolution 13 and the approvals of the relevant authorities being obtained, approval be and is hereby given to the Board to authorise the ESOS Committee from time to time throughout the duration of the Proposed ESOS, to offer and grant **CHUA CHEN SAN** under the Proposed ESOS (in the form of ESOS Award(s)) of up to 150,000 new Options, in accordance with the Listing Requirements (where applicable) or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time, for the purposes set out in the Circular and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provision of the By-Laws.”

PROPOSED GRANTING OF ESOS AWARDS TO PERPETUA PHANG

Resolution 22

“THAT subject to the passing of the Ordinary Resolution 13 and the approvals of the relevant authorities being obtained, approval be and is hereby given to the Board to authorise the ESOS Committee from time to time throughout the duration of the Proposed ESOS, to offer and grant **PERPETUA PHANG** under the Proposed ESOS (in the form of ESOS Award(s)) of up to 150,000 new Options, in accordance with the Listing Requirements (where applicable) or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time, for the purposes set out in the Circular and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provision of the By-Laws.”

PROPOSED GRANTING OF ESOS AWARDS TO WONG HEE KWONG

Resolution 23

“THAT subject to the passing of the Ordinary Resolution 13 and the approvals of the relevant authorities being obtained, approval be and is hereby given to the Board to authorise the ESOS Committee from time to time throughout the duration of the Proposed ESOS, to offer and grant **WONG HEE KWONG** under the Proposed ESOS (in the form of ESOS Award(s)) of up to 1,500,000 new Options, in accordance with the Listing Requirements (where applicable) or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time, for the purposes set out in the Circular and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provision of the By-Laws.”

PROPOSED GRANTING OF ESOS AWARDS TO ERIC KIU KWONG SENG

Resolution 24

“THAT subject to the passing of the Ordinary Resolution 13 and the approvals of the relevant authorities being obtained, approval be and is hereby given to the Board to authorise the ESOS Committee from time to time throughout the duration of the Proposed ESOS, to offer and grant **ERIC KIU KWONG SENG** under the Proposed ESOS (in the form of ESOS Award(s)) of up to 750,000 new Options, in accordance with the Listing Requirements (where applicable) or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time, for the purposes set out in the Circular and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provision of the By-Laws.”

PROPOSED GRANTING OF ESOS AWARDS TO THO KHENG CHIANG

Resolution 25

“THAT subject to the passing of the Ordinary Resolution 13 and the approvals of the relevant authorities being obtained, approval be and is hereby given to the Board to authorise the ESOS Committee from time to time throughout the duration of the Proposed ESOS, to offer and grant **THO KHENG CHIANG** under the Proposed ESOS (in the form of ESOS Award(s)) of up to 750,000 new Options, in accordance with the Listing Requirements (where applicable) or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time, for the purposes set out in the Circular and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provision of the By-Laws.”

BY ORDER OF THE BOARD

ERIC KIU KWONG SENG
LS0007062
SSM Practising Certificate No.201908003572
Company Secretary

Miri
28 April 2026