



Management Procedure	RANHILL BOARD OF DIRECTORS	Issue No.	04
Document Title	Board Charter – Appendix IV: Long Term Incentive Plan Committee: Terms Of Reference - New Board Committee – LTIP’s TOR	Revision No.	03
ISO & OHSAS Element		Issue Date	February 2020
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LONG TERM INCENTIVE PLAN COMMITTEE: TERMS OF REFERENCE

The Long Term Incentive Plan (“**LTIP**”) Committee is a committee of the Board of Ranhill Holdings Berhad (“**the Company**”). The authority, functions, responsibilities and duties of LTIP are extended to all subsidiary companies in the Group.

1.0	Objectives	The principle objective of the LTIP Committee is to implement and administer the share grant plan under the LTIP of the Company and its group of Companies.
2.0	Composition	<p>a) The members of the LTIP Committee shall be appointed by the Board of Directors from the Nomination and Remuneration Committee (“NRC”) of the Company and shall consist of not less than three (3) members. The members shall also include the President and Chief Executive as the management representative;</p> <p>b) The Chairman of the LTIP Committee shall be the Chairman of the NRC and shall be approved by the Board of Directors. In the absence of the Chairman during the meeting, the remaining members present shall elect one of their meeting as a Chairman of the meeting; and</p> <p>c) The Secretary of the LTIP Committee shall be the Company Secretary of the Company.</p>
3.0	Meetings	<p><u>Frequency</u></p> <p>The LTIP Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings, as and when the need arises. The Chairman may call for meetings at any time at the Chairman’s discretion.</p> <p><u>Quorum</u></p> <p>A quorum shall consist of two (2) members.</p> <p><u>Conduct of meetings</u></p> <p>a) The Secretary shall on the requisition of the members of the LTIP Committee summon a meeting of the LTIP Committee except in the case of emergency, reasonable notice of every LTIP Committee meeting shall be given in writing;</p> <p>b) All decisions, whether at a Committee meeting or by way of circulation, shall be by way of simple majority vote of the Chairman and the members. In the event of stalemate, the Chairman of the meeting shall have a casting vote;</p>



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		c) Members of the LTIP Committee must declare and abstain from meetings where their presence may cause any conflict of interest.
4.0	Circular resolution in writing	A resolution in writing signed by all the LTIP Committee members for the time being entitled to receive notice of a meeting of the LTIP Committee, shall be valid and effectual as if it had been passed at a meeting of the LTIP Committee duly convened and held. Any such resolution may consist of several documents in like form each signed by one (1) or more LTIP Committee.
5.0	Authority	The LTIP is authorised by the Board to:- a) review any activity within its Terms of Reference; b) have authority to seek any information it may require from any director or member of management and have full and unrestricted access to any information pertaining to the LTIP of the Company and its subsidiaries; c) obtain external professional advice and secure the attendance of outsiders with the relevant experience if deemed necessary; and d) be entitled to the services of a Company Secretary who must ensure that accurate minutes be maintained for every meeting including among others, all decisions made in the LTIP Committee meetings be properly recorded and minuted in the minutes book.
6.0	Responsibilities	The duties and responsibilities of the LTIP Committee are set out in the approved ⁽¹⁾ By-Laws which include amongst others:- a) To exercise all the powers and undertake the duties and responsibilities stated in the LTIP By-Laws; b) To report its activities including how it has discharged its responsibilities to the Board on a regular basis and promptly provide to the Board copies of the minutes of meetings of the LTIP Committee; c) To arrange for periodic reviews of its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board of approval; d) To act in line with the directions of the Board of Directors; and e) To consider and examine such other matters as the LTIP Committee considers appropriate.

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Tel: 607-2255300/ Fax: 607 – 2255310**Ranhill**

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Note ⁽¹⁾

Attachment: Draft By-Laws for LTIP as enclosed in the Circular to Shareholders dated 19 March 2019 and approved at the Company’s Extraordinary General Meeting held on 11 April 2019. The final By-Laws will be updated accordingly once available.

End of Appendix IV for LTIP

DRAFT BY-LAWS FOR THE PROPOSED LTIP

**RANHILL HOLDINGS BERHAD
DRAFT BY-LAWS OF THE LONG TERM INCENTIVE PLAN**

PART I

1. NAME OF THE SCHEME

This Scheme (as defined herein) shall be called the “*Ranhill Holdings Berhad Long Term Incentive Plan*”.

2. OBJECTIVES OF SCHEME

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

- (a) To recognise and reward the Eligible Persons (as defined herein) by giving recognition to their contributions and services that are considered vital to the operations and sustained growth and profitability of the Group (as defined herein);
- (b) To retain, motivate and reward the Eligible Persons by allowing them to participate in the Group's profitability and eventually realise the value of the Shares (as defined herein) upon disposal;
- (c) To attract prospective employees with relevant skills and experience to the Group (as defined herein) and contribute to its continued growth by making the total remuneration package more competitive;
- (d) To motivate employees to optimise their performance standards and maintain high level contributions through greater levels of commitment, dedication and ownership to the Ranhill Group;
- (e) To align the long-term interest of the Eligible Employees with those of the shareholders of Ranhill Group through direct participation in the equity of Ranhill; and
- (f) To foster and reinforce a greater sense of loyalty, dedication, commitment and belonging among the Eligible Persons upon vesting of the Shares as they will be able to participate directly in the equity of the Company and thereby the Scheme provides an incentive for the Eligible Persons to participate more actively in the operations and future growth of the Group and motivate them to further contribute to the growth and success of the Group.

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

DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

- 2.3 In addition to the objectives set out in By-Law 2.1 above, the objectives of the PSP (as defined herein) are to promote alignment in the strategic achievements of the Group and for the Eligible Persons to drive long term shareholders value enhancement to the Group and to act as an incentive for the management personnel and to recognize the contribution of the management personnel (who are the Eligible Persons) of the Group of such rank or position as may be designated by the LTIP Committee from time to time in recognition of their contribution as drivers of the growth and performance of the Group during the tenure of the PSP.

3. DEFINITIONS AND INTERPRETATION

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

Act	The Companies Act 2016 of Malaysia
Adviser	A corporate finance adviser licensed to make submission to the SC for corporate proposals
Award	An award of Shares comprising of a PSP Grant and/or RSP Grant made in writing by the LTIP Committee to the Eligible Persons to participate in the Scheme in the manner set out in these By-Laws
Award Commencement Date	The commencement date of the Vesting Period of an Award as fixed by LTIP Committee
Award Date	The date on which an Award is made by the LTIP Committee to the Eligible Persons
Award Termination Date	The date on which an Award terminates, expires, lapses and/or otherwise ceases to be of any force and effect or the date immediately following the day on which the Shares comprised in the Award are intended to vest in full in accordance with these By-Laws, whichever is earlier
Board	The Board of Directors for the time being of Ranhill
Bursa Depository	Bursa Malaysia Depository Sdn Bhd (165570-W)
Bursa Securities	Bursa Malaysia Securities Berhad (635998-W)
By-Laws	The rules, terms and conditions of the Scheme (as may be modified, varied and/or amended from time to time)
CDS	Central Depository System
CDS Account	An account established by Bursa Depository for a depositor for the recording of deposits and withdrawal of securities and for dealings in such securities by that depositor

DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

Chief Executive	The principal executive officer of a company for the time being, by whatever name called, and whether or not he is a Director
Company or Ranhill	Ranhill Holdings Berhad (1091059-K), a public company limited by shares and incorporated in Malaysia and includes its successor-in-title and permitted assigns
Constitution	The memorandum and articles of association or the constitution of Ranhill, as amended from time to time
Date of Expiry	Last day of the Duration of the Scheme as defined in By-Law 21.1
Director	A director within the meaning stipulated in the Act
Disciplinary Proceedings	Proceedings instituted by a Group Company against a Grantee for any alleged negligence, misconduct, fraud, financial misstatement, reputational damage, misbehaviour, misconduct and/or any other act of the Grantee deemed to be unacceptable by that company in the course of that Grantee's employment, whether or not such proceedings may give rise to a dismissal or termination of the contract of service of such Grantee
Duration of the Scheme	The duration of the Scheme as defined in By-Law 21.1
Effective Date	The date on which the Scheme comes into force as provided in By-Law 21.1
Eligible Person(s)	The Executive Director(s) and Employee(s) who meet(s) the criteria of eligibility for participation in the Scheme as set out in By-Law 5 and fall(s) within any other eligibility criteria that may be determined by the LTIP Committee from time to time at its discretion
Employee	A natural person who is employed by, and is on the payroll of any Group Company
Entitlement Date	The date as at the close of business on which the names of shareholders must appear in Ranhill's Record of Depositors in order to be entitled to any dividends, rights, allotments and/or other distributions
Executive Director	A natural person who is a Director of any Group Company in a full time executive capacity and is involved in the day-to-day management of any Group Company. For the avoidance of doubt, Executive Directors exclude alternate directors

DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

Grantee	An Eligible Person who has accepted an Award in accordance with By-Law 8
Group or Ranhill Group	The Company and its Subsidiaries
Group Company	Any company within the Ranhill Group, including Ranhill
Listing Requirements	The Main Market Listing Requirements of Bursa Securities
LTIP Committee	The committee appointed by the Board to implement and administer the Scheme in accordance with these By-Laws, comprising such number of the Directors and/or management personnel of the Ranhill Group identified from time to time by the Board
Market Day	A day on which Bursa Securities is open for trading of securities
Maximum Allowable Allocation	The maximum number of Shares in respect of the Awards that can be offered and allotted to an Eligible Person in accordance with the provisions of By-Law 6
Maximum Limit	The maximum number of Shares that may be offered and issued under the Scheme which shall not exceed ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the Duration of the Scheme, as stipulated in By-Law 4.1
Performance Period	The duration determined by the LTIP Committee at its sole discretion for the Performance Target to be achieved or satisfied
Performance Target	The performance targets determined by the LTIP Committee at its sole discretion, which are to be achieved or satisfied by the Grantee and/or Group and/or business units within the Group as determined by the LTIP Committee, during such period as specified in the Award
Persons Connected	Shall have the meaning ascribed to it in paragraph 1.01 of the Listing Requirements
PSP	The performance share grant plan to be adopted by the Company under the Scheme, as may be modified or altered from time to time by the LTIP Committee
PSP Grant	An award of Shares made in writing by the LTIP Committee from time to time to an Eligible Person under the PSP

DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

RSP	The restricted share grant plan to be adopted by the Company under the Scheme, as may be modified or altered from time to time by the LTIP Committee
RSP Grant	An award of Shares made in writing by the LTIP Committee from time to time to an Eligible Person under the RSP
Rules of Bursa Depository	The rules of Bursa Depository, as issued pursuant to SICDA
SC	Securities Commission Malaysia
Scheme	The long term incentive plan comprising PSP and RSP established by the Company which shall be known as “ <i>Ranhill Holdings Berhad Long Term Incentive Plan</i> ” to be administered and implemented in accordance with these By-Laws
Shares	Fully paid ordinary shares in the Company
SICDA	Securities Industry (Central Depositories) Act 1991
Subsidiaries	Subsidiaries (as defined in the Act) of the Company which are not dormant, and include subsidiaries which are existing as at the Effective Date and those incorporated or acquired (via restructuring, merger or sale and purchase) at any time during the Duration of the Scheme but exclude subsidiaries which have been divested in the manner provided in By-Law 19
Vesting Conditions	The conditions determined by the LTIP Committee and stipulated in the Award which must be fulfilled for the Shares under an Award to be vested in a Grantee. For the avoidance of doubt, the Vesting Conditions may be subject to Performance Targets, the determination of which shall be made by the LTIP Committee
Vesting Date(s)	The date or dates stipulated by the LTIP Committee on which all or some of the Shares to which an Award relates is/are vested pursuant to the Award
Vesting Notice	Has the meaning ascribed to it in By-Law 9.3
Vesting Period	In relation to an Award, a period commencing from the Award Commencement Date in respect of the said award and expiring on the Market Day immediately preceding the Award Termination Date to which the said award relates (both dates inclusive)

DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

- 3.2 Headings are for ease of reference only and do not affect the meaning of a By-Law and shall not be taken into consideration in the interpretation of these By-Laws.
- 3.3 Any reference to a statutory provision or an applicable law shall include a reference to:
- (a) any and all subsidiary legislation made from time to time under that provision or law;
 - (b) any and all Listing Requirements, policies and/or guidelines of Bursa Securities and/or Bank Negara Malaysia and/or the SC (in each case, whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the reasonable commercial practice of persons to whom such requirements, policies and/or guidelines are addressed by Bursa Securities and/or the SC and/or any relevant authorities);
 - (c) that provision as from time to time modified or re-enacted, whether before or after the date of these By-Laws, so far as such modification or re-enactment applies or is capable of applying to any Award made, offered and/or accepted within the Duration of the Scheme; and
 - (d) any past statutory provision (as from time to time modified or re-enacted) which such provision has directly or indirectly replaced.
- 3.4 Words importing the masculine gender shall include the feminine and neuter genders.
- 3.5 Words importing the singular number shall include the plural number and vice versa.
- 3.6 If an event is to occur on a stipulated day which is not a Market Day, then the stipulated day will be taken to be the first Market Day after that day; and if an event is to occur on a stipulated day which falls after the Date of Expiry then the stipulated day shall be taken to be the last Market Day of the Duration of the Scheme.
- 3.7 Any liberty or power or discretion which may be exercised, and/or any decision or determination which may be made, under these By-Laws:
- (a) by the Board may be exercised in the Board's sole discretion and the Board shall not be under any obligation to give any reasons therefor; and
 - (b) by the LTIP Committee may be exercised in the LTIP Committee's sole discretion and the LTIP Committee shall not be under any obligation to give any reason therefor, but subject always to the Board's power to overrule any decision of the LTIP Committee.
- 3.8 Whenever these By-Laws refer to a number of days, such reference shall be to calendar days unless Market Days are specified.
- 3.9 A "month" is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month (and references to "months" shall be construed accordingly) save that, if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last day in that later month.

DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

- 3.10 In the event of any change in the name of the Company from its present name, all reference to “*Ranhill Holdings Berhad*” or “*Ranhill*” in these By-Laws and all other documents pertaining to the Scheme shall be deemed to be references to the Company’s new name.

PART II

4. MAXIMUM NUMBER OF SHARES AVAILABLE UNDER THE SCHEME

- 4.1 The maximum number of Shares which may be made available under the Scheme, shall not in aggregate exceed ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the Duration of the Scheme (“**Maximum Limit**”).
- 4.2 Notwithstanding By-Law 4.1 above nor any other provision herein contained, in the event the maximum number of Shares granted under the Scheme exceeds Maximum Limit as a result of the Company purchasing or cancelling its own Shares pursuant to the Act or the Company undertaking any corporate proposal and thereby diminishing the issued shares of the Company, then such Awards granted prior to the adjustment of the issued share capital (excluding treasury shares, if any) of the Company shall remain valid in accordance with these By-Laws and the Shares shall vest in accordance with the terms of the Awards. However, in such a situation, the LTIP Committee shall not make any further Awards unless the total number of Shares to be issued under the Scheme falls below Maximum Limit.

5. ELIGIBILITY

- 5.1 The selection of any Eligible Person for participation in the Scheme shall be determined at the sole discretion of the LTIP Committee whose decision shall be final and binding. For the avoidance of doubt, the LTIP Committee shall have the right to determine any other eligibility criteria and/or waive or vary any of the eligibility criteria as set out in By-Laws 5.2 in its discretion at any time and from time to time.
- 5.2 Only Eligible Persons who fulfil the following conditions on the Award Date shall be eligible to participate in the Scheme:
- (a) In respect of an Employee, the Employee must fulfil the following criteria as at the Award Date:
 - (i) he/she is at least eighteen (18) years of age on the Award Date and is not an undischarged bankrupt and is not subject to any bankruptcy proceedings; and
 - (ii) he/she is employed by any Group Company on a full time basis or serving specific designation under an employment contract with any Group Company for a fixed duration (or any other contract as may be determined by LTIP Committee) and is on the payroll of any Group Company and has not served a notice of resignation or received a notice of termination; and
 - (iii) his/her employment has been confirmed in writing by any Group Company and he/she is not under any probation; or

DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

- (iv) he/she is not participating or entitled to participate in any other employee share scheme implemented by any other Group Company which is in force for the time being, save and except if the LTIP Committee determines otherwise; and
- (v) he/she fulfills any other eligibility criteria (including variations to the eligibility criteria under By-Laws 5.2(a)(i) to(iv) above) that may be determined by the LTIP Committee from time to time at its sole discretion, whose decision shall be final and binding.

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

- (b) In respect of Executive Director, the Executive Director must fulfill the following criteria as at the Award Date:
 - (i) he/she is at least eighteen (18) years of age on the Award Date and is not an undischarged bankrupt and is not subject to any bankruptcy proceedings;
 - (ii) he/she has been appointed as a Director of the Company or any other Group Company and has not served a notice of resignation or received a notice of termination;
 - (iii) specific allocation of Awards to an Executive Director of the Company under the Scheme must have been approved by the shareholders of the Company at a general meeting and is not prohibited or disallowed by the relevant authorities or laws from participating in the Scheme;
 - (iv) he/she is not participating or entitled to participate in any other employee share scheme implemented by any other Group Company which is in force for the time being, save and except if the LTIP Committee determines otherwise; and
 - (v) he/she fulfills any other eligibility criteria (including variations to the eligibility criteria under By-Laws 5.2(b)(i) to (iv) above) that may be determined by the LTIP Committee from time to time at its sole discretion, whose decision shall be final and binding.
- (c) In respect of a Director, Chief Executive, major shareholder of the Company or a Person Connected with such Director, Chief Executive or major shareholder who falls within the eligibility criteria under By-Laws 5.2(a) to (b), specific allocation of Awards granted under the Scheme to such persons must have been approved by the shareholders of the Company at a general meeting.
- (d) The Eligible Person must fulfil any other criteria and/or fall within such category/designation of employment as may be determined by the LTIP Committee from time to time at its sole discretion.

DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

- 5.3 Subject to these By-Laws and any applicable laws, where an employee has or had anytime (whether before or after the Effective Date) been seconded from any Group Company to a company which is not a Group Company, the LTIP Committee shall have the discretion to extend the benefit of the Scheme to such employee by deeming such employee as an Eligible Person and such company as Group Company.
- 5.4 Without prejudice to the generality of the foregoing and subject to the LTIP Committee's discretion otherwise, any Award made by the LTIP Committee shall become void, of no effect and cease to be capable of acceptance by Eligible Persons upon any of the following events occurring:
- (a) the death of the Eligible Person;
 - (b) the Eligible Person having received a letter of termination or ceasing to be an employee of any Group Company, for any reason whatsoever;
 - (c) the Eligible Person giving notice of his/her resignation from service/employment;
 - (d) the corporation which employs the Eligible Person ceasing to be part of the Ranhill Group;
 - (e) without prejudice to the provisions of By-Law 13.7, the Eligible Person is subject to Disciplinary Proceedings and the employment of the Eligible Person is terminated; or
 - (f) the Eligible Person has been adjudicated a bankrupt.
- 5.5 The LTIP Committee may in its discretion revoke or suspend the nomination of any Grantee of any Group Company at any time, whereupon such Grantee shall henceforth cease to be eligible for any Award under the Scheme.
- 5.6 The LTIP Committee may from time to time at its discretion select and identify suitable Eligible Persons to be offered the Awards. In the event that any Eligible Persons are a member of the LTIP Committee, such Eligible Persons shall not participate in the deliberation or discussion of their own allocation of Awards.
- 5.7 Any Eligible Person who holds more than one (1) position within the Ranhill Group and by holding such position is an Eligible Person, shall only be entitled to the Maximum Allowable Allocation of one (1) category/designation of employment. Each Executive Director shall only be entitled to the Maximum Allowable Allocation irrespective of his/her sitting on more than one (1) board of directors of Group Company. The LTIP Committee shall be entitled at its discretion to determine the applicable category/designation of employment.
- 5.8 An Eligible Person of a dormant company within the Group is not eligible to participate in the Scheme.
- 5.9 Eligibility under the Scheme does not confer upon the Eligible Person a claim or right to participate in or any rights whatsoever under the Scheme and an Eligible Person does not acquire or have any rights over or in connection with the Awards unless an Award has been made by the LTIP Committee to the Eligible Person and the Eligible Person has accepted the Award in accordance with By-Law 8 hereof.

6. BASIS OF ALLOTMENT AND MAXIMUM ALLOWABLE ALLOCATION OF SHARES

- 6.1 Subject to By-Law 4.1 and any adjustments which may be made under By-Law 17, the aggregate maximum number of Shares that may be allocated to any one (1) category/designation of employment of the Eligible Person shall be determined entirely at the discretion of the LTIP Committee.
- 6.2 Not more than ten percent (10%) of the aggregate number of Shares to be issued under the Scheme shall be allocated to any individual Eligible Person who, either singly or collectively through Persons Connected with such Eligible Person, holds twenty percent (20%) or more of the total number of issued shares of the Company (excluding treasury shares, if any).
- 6.3 Subject to By-Law 6.2, the aggregate maximum number of Shares that may be offered to an Eligible Person under the Scheme shall be determined at the sole discretion of the LTIP Committee after taking into consideration, amongst others, the provisions of the Listing Requirements or other applicable regulatory requirements prevailing during the Duration of the Scheme, the performance, targets, position, annual appraised performance, seniority, length of service, contribution, potential for future contribution to the success and development of the Group, category or grade of employment of the Eligible Person or such other matters which the LTIP Committee may in its sole discretion deem fit.

At the time an Award is offered, the LTIP Committee shall set out the basis of the allocation of the Award(s) made to the Eligible Person(s) having the further particulars as set out in By-Law 7.3.

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

PART III

7. THE AWARD

- 7.1 The LTIP Committee may at its discretion on annual basis or at any time within the Duration of the Scheme, make an Award in writing for acceptance in accordance with By-Law 8 to any Eligible Persons based on the criteria for allocation as set out in By-Law 5 and in accordance with the terms of these By-Laws and after taking into consideration, amongst others, the performance, targets, position, annual appraised performance, seniority, length of service, contribution, potential for future contribution to the success and development of the Group, category or grade of employment, Maximum Allowable Allocation of such Eligible Persons or such other matters which the LTIP Committee may in its sole discretion deem fit.
- 7.2 The actual number of Shares which may be awarded to an Eligible Person shall be at the discretion of the LTIP Committee subject to any adjustments that may be made under By-Law 17 but shall not be more than the Maximum Allowable Allocation. The LTIP Committee may stipulate any terms and conditions it deems appropriate in an Award and the terms and conditions of each may differ. Nothing herein shall require any Award offered to be the same as any other share awards previously or subsequently offered whether to the same or a different Eligible Person. For the avoidance of doubt, the LTIP Committee has the absolute discretion whether or not to grant any Award for any particular year.
- 7.3 (a) An Award shall be made in writing and in any manner as the LTIP Committee shall determine and may be made upon such terms and conditions as the LTIP Committee may decide from time to time. The LTIP Committee will state in the document making an Award to an Eligible Person (“**Award Letter**”), amongst others:
- (i) whether the Award is a PSP Grant and/or RSP Grant;
 - (ii) the amount of Award or the number of Shares which the Eligible Person is entitled upon satisfying the conditions of the Award;
 - (iii) the Award Date;
 - (iv) the Vesting Date(s);
 - (v) the Vesting Conditions, including the Vesting Period;
 - (vi) if required, the Performance Targets, the Performance Period and/or the extent to which the Shares in relation to the Award shall be released upon the Performance Target being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period;
 - (vii) the Validity Period as mentioned in By-Law 7.3(b);
 - (viii) the basis of allocation of the Award(s);
 - (ix) the retention period and/or restriction on transfer, if any/applicable, for the Shares to be allotted and issued to a Grantee pursuant to the vesting of the Award; and

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- (x) any other information or condition deemed necessary by the LTIP Committee (including a written acceptance by the Eligible Person of the Award, if required).
 - (b) An Award shall be valid for acceptance for a period of thirty (30) calendar days from the Award Date or such longer period as may be determined by the LTIP Committee at its discretion determines on a case to case basis (“**Validity Period**”). No monetary consideration is required to be paid by the Eligible Person for the acceptance of the Award.
- 7.4 Without prejudice to By-Law 24, in the event of an error on the part of the Company or LTIP Committee in stating any of the particulars referred to in By-Law 7.3, as soon as possible but in any event no later than one (1) month after discovery of the error, the Company or LTIP Committee shall issue a supplemental Award Letter, stating the correct particulars referred to in By-Law 7.3.
- 7.5 The Grantees are not required to pay for the Shares they are entitled to receive upon vesting of the Shares pursuant to the Award.

8. ACCEPTANCE OF THE AWARD

- 8.1 Unless the Eligible Person indicates in writing that he/she does not wish to accept the Award within the Validity Period, the Award shall be deemed accepted by an Eligible Person upon receipt of the Award Letter or accepted in such manner as may be prescribed by the LTIP Committee from time to time and in such event, the Eligible Person who is deemed to have accepted the Award shall be bound by the terms of these By-Laws and the terms and conditions of the Award and such other terms and conditions which are imposed/determined by the LTIP Committee.
- 8.2 If the Eligible Person has indicated his/her non-acceptance of the Award in the manner set out in By-Law 8.1 above, the Award shall immediately lapse and be null and void and be of no further force and effect. The Shares comprised in such Award may, at the discretion of the LTIP Committee, be re-offered to other Eligible Persons.
- 8.3 The number of Shares offered in the lapsed Award as described in By-Law 8.2 shall be deducted from the Maximum Allowable Allocation or the balance of the Maximum Allowable Allocation of the Eligible Person, and the Eligible Person shall not be entitled to be offered the number of Awards offered in the lapsed Award, in any Award made in the future.

9. VESTING CONDITIONS AND SATISFACTION OF VESTING CONDITIONS

- 9.1 The LTIP Committee shall, as and when it deems practicable and necessary, review and determine at its own discretion the Vesting Conditions specified in respect of an Award. The Shares or such part thereof as may be specified in an Award will only vest with the Grantee on the Vesting Date(s) if the Vesting Conditions are fully and duly satisfied, which include, amongst others, the following:
- (a) the Grantee must remain an Employee as at the Vesting Date and shall not have given a notice to resign or received a notice of termination as at the Vesting Date;

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- (b) the Grantee has not been adjudicated a bankrupt;
 - (c) if any, the Performance Targets are satisfied in accordance with the terms and conditions as set out in the Award Letter; and/or
 - (d) any other conditions which are determined by the LTIP Committee.
- 9.2 The LTIP Committee shall have full discretion to determine whether the Performance Targets have been duly satisfied. In the event that the LTIP Committee determines that the Performance Targets are not duly satisfied, the LTIP Committee may, at its discretion, adjust the number of Shares (if any) which may vest in the Grantee on the Vesting Date(s) and/or determine otherwise as it deems fit.
- 9.3 Where the LTIP Committee has determined that the Vesting Conditions have been fully and duly satisfied, the LTIP Committee shall notify the Grantee of the number of Shares vested or which will be vested in him/her on the Vesting Date (“**Vesting Notice**”). Within eight (8) Market Days after the Vesting Date or such other period as may be prescribed or allowed by Bursa Securities, and subject to the provisions of the Constitution, Listing Requirements, the SICDA and the Rules of Bursa Depository, the Company shall:
- (a) issue and allot the relevant number of Shares;
 - (b) procure the dispatch of notices of allotment of such Shares to the Grantee accordingly; and
 - (c) if required, make an application for listing and quotation of such relevant number of Shares.
- 9.4 Subject to By-Law 11, no Grantee shall have any right to or interest in the Share awarded to him/her under an Award until and unless such Shares are vested in him/her on and with effect from the Vesting Date.
- 9.5 The Grantee shall provide all information as required in the Vesting Notice and the Award Letter respectively.
- 9.6 The Shares to be issued pursuant to the vesting of an Award will be credited directly into the CDS Account of the Grantee and no physical share certificates will be issued and delivered to the Grantee. The Grantee shall provide the LTIP Committee with his CDS Account number within the time period as determined by the LTIP Committee. It is the obligation and responsibility of the Grantee to notify the LTIP Committee of any change to his CDS Account number and any other relevant details.
- 9.7 To the extent the Shares under an Award have not been vested upon the Award Termination Date or have not been vested at all during the Duration of the Scheme for any reason whatsoever, the Award shall lapse and become null and void unless extended by LTIP Committee in its discretion.

PART IV

10. NON-TRANSFERABILITY

- 10.1 An Award is personal to the Grantee and subject to the provisions of By-Laws 10.2, 10.3 and 13.3, is vested only in the Grantee personally during his/her lifetime.
- 10.2 An Award shall not be transferred, assigned, disposed of or subject to any encumbrances in any manner whatsoever by the Grantee save and except in the event of the death of the Grantee as provided under By-Law 13.5. Any such attempt to transfer, assign, dispose or encumber any Award shall result in the automatic cancellation of the Award.
- 10.3 Notwithstanding By-Law 10, in the event a Grantee is transferred to another Group Company which has its own share issuance scheme, the Grantee shall be entitled to continue to receive, upon vesting, all Shares under the Awards already granted under this Scheme in accordance with these By-Laws, but such Grantee shall not upon such transfer taking effect be eligible to participate for further Awards under the Scheme.

11. RIGHTS ATTACHING TO SHARES AND THE AWARDS

- 11.1 The new Shares to be allotted and issued upon the vesting of any Awards under the Scheme will be subject to the provisions of the Constitution and will, upon allotment and issuance, rank *pari passu* in all respects with the then existing issued Shares of the Company, save and except that the Shares so allotted and issued will not be entitled to any dividends, rights, allotments and/or other forms distributions which may be declared, made or paid to shareholders of the Company, the Entitlement Date of which is prior to the date of allotment and issuance of such new Shares.
- 11.2 The Awards shall not carry any rights to vote at any general meeting of the Company. For the avoidance of doubt, a Grantee shall not in any event be entitled to any dividends, rights or other entitlements on his/her unvested Shares.

12. RESTRICTION ON DEALING/RETENTION PERIOD

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

The expression "retention period" shall mean the period in which the Shares to be allotted and issued to a Grantee pursuant to the vesting of an Award must not be sold, transferred, assigned or otherwise disposed of by the Grantee.

13. TERMINATION OF THE AWARDS

13.1 Prior to the full vesting of any Award and/or the allotment of new Shares under the Scheme, such Awards that remain unvested or unsatisfied (as the case may be) shall be automatically terminated and cease or deemed to cease to be valid without any claim against the Group in the following circumstances:

- (a) termination or cessation of employment of the Grantee with the Group for any reason whatsoever, in which event the Awards shall be automatically terminated and cease or be deemed to cease to be valid without any claim against the Company or any other member of the Group on the day the Grantee's employer accepts his/her notice of resignation or the Grantee's employer notifies the Grantee of termination of his/her employment or on the day the Grantee notifies his/her employer of his/her resignation or on the Grantee's last day of employment, whichever is the earlier; or
- (b) bankruptcy of the Grantee, in which event the Awards shall be automatically terminated and cease or be deemed to cease to be valid without any claim against the Group on the date a receiving order is made against the Grantee by a court of competent jurisdiction; or
- (c) upon the happening of any other event which results in the Grantee being deprived of the beneficial ownership of the Award, in which event the Awards shall be automatically terminated and cease or be deemed to cease to be valid without any claim against the Group on the date such event occurs; or
- (d) winding up or liquidation of the Company, in which event the Awards shall be automatically terminated and/or cease to be valid on the following date:
 - (i) in the case of a voluntary winding up, the date on which a provisional liquidator is appointed by the Company; or
 - (ii) in the case of an involuntary winding up, the date on which a petition for winding up is served on the Company; or
- (e) termination of the Scheme pursuant to By-Law 21.4, in which event the Awards shall be automatically terminated and cease or cease to be valid without any claim against the Group on the Termination Date (as defined in By Law 21.4),

whichever shall be applicable.

Upon the termination of the Awards pursuant to By-Laws 13.1(a), (b), (c), (d) or (e) above, the Grantee shall have no right to compensation or damages or any claim against the Company or any other member of the Group for any loss of any right or benefit or prospective right or benefit under the Scheme which he/she might otherwise have enjoyed, whether for wrongful dismissal or breach of contract or loss of office or otherwise howsoever arising from him/her ceasing to hold office or employment or from the suspension of his/her entitlement to the award of, acceptance or vesting of any Award.

13.2 A Grantee will be allowed to continue to hold any unvested Award upon retirement on or after attaining normal retirement age.

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- 13.3 Notwithstanding By-Law 13.1 above, the LTIP Committee may at its discretion allow an Award to remain unvested and the Shares shall vest according to the Award or within such shorter period as the LTIP Committee shall determine on such terms and conditions as it shall deem fit if the cessation of employment occurs as a result of:
- (a) ill-health, injury, physical or mental disability; or
 - (b) retirement before attaining the normal retirement age with the consent of his/her employer; or
 - (c) redundancy, retrenchment or voluntary separation scheme; or
 - (d) transfer to any company outside the Group at the direction of the Company; or
 - (e) any other circumstance as may be deemed as acceptable to the LTIP Committee in its sole discretion.
- 13.4 Notwithstanding By-Law 13.3, in the event that a Grantee is notified that he will be made redundant or retrenched or participate in a voluntary separation scheme or where he/she is given an offer by his/her employer as to whether he/she wishes to accept redundancy or retrenchment or participate in a voluntary separation scheme upon certain terms, the Grantee may be vested with such number of unvested Shares under the Scheme within one (1) month after he/she receives such notice or accepts such offer, as the case may be. Thereafter, any such number of unvested Shares under the Scheme at the expiry of the said period shall be automatically terminated.
- 13.5 Subject to By-Law 21.3, in the event that a Grantee dies during the Vesting Period or before the Date of Expiry, as the case may be, and at the date of death, holds any Shares under the Scheme which remain unvested, the LTIP Committee may at its discretion determine such unvested Shares (all or any part thereof) be vested in the personal or legal representative of the deceased Grantee (“**Representative**”) provided that the Representative submits such relevant documents (i.e. letter of administration or grant of probate) or evidences to the satisfaction of the LTIP Committee prior to expiry of the Vesting Period or the Date of Expiry, as the case may be, and vesting of the relevant Shares occurs prior to the expiry of the Vesting Period or the Date of Expiry, as the case may be,.
- 13.6 The provisions of By-Law 13.5 shall constitute exceptions to the provisions of By-Law 5.2.

DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

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

- (a) in the event such Grantee is found not guilty of the charges which gave rise to such Disciplinary Proceedings, the LTIP Committee shall reinstate the right of such Grantee to their Award;
- (b) in the event the Disciplinary Proceedings result in a recommendation for the dismissal or termination of service of such Grantee, the Award shall immediately lapse and be null and void and of no further force and effect (and the unvested Shares shall not thereafter vest), without notice to the Grantee, upon pronouncement of the dismissal or termination of service of such Grantee notwithstanding that such recommendation, dismissal and/or termination of service may be subsequently challenged or disputed by the Grantee in any other forum;
- (c) in the event the Grantee is found guilty but no dismissal or termination of service is recommended, or in the event that the Disciplinary Proceedings result in a demotion of the Grantee to a lower category of employment/designation, the LTIP Committee shall have the right to determine at its discretion whether or not the Grantee may continue to have the Shares vested in him/her or any part thereof and if so, to impose such terms and conditions as it deems appropriate; and
- (d) in the event that no decision is made and/or Disciplinary Proceedings are not concluded prior to the Date of Expiry, the Awards of such Grantee shall immediately lapse on the Date of Expiry without notice, and nothing herein shall impose any obligation on the LTIP Committee to enquire into or investigate the substantiveness and/or validity of such Disciplinary Proceeding(s) and the LTIP Committee shall not under any circumstances be held liable for any costs, losses, expenses, damages or liabilities, gains or profits foregone, arising from the LTIP Committee's exercise of or failure to exercise any of its rights under this By-Law.

Nothing herein shall prevent the LTIP Committee from making a fresh Award to such Grantee and/or reinstating the right of such Grantee to their Award in the event that the Disciplinary Proceedings are withdrawn.

14. INSPECTION OF THE AUDITED FINANCIAL STATEMENTS

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

15. SCHEME NOT A TERM OF EMPLOYMENT

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

16. TAXES

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

PART V

17. ALTERATION OF SHARE CAPITAL AND ADJUSTMENTS

17.1 In the event of any alteration in the capital structure of the Company during the Duration of the Scheme, whether by way of rights issue, bonus issue or other capitalisation issue, consolidation or subdivision of Shares or reduction or any other alteration in the capital structure of the Company or otherwise howsoever, corresponding changes (if any) may be made to the Scheme. Such changes may be made to:

- (a) the number of Shares which are the subject of the Award to the extent not yet vested; and/or
- (b) the method and/or manner in the vesting of the Shares comprised in Award; and/or
- (c) the maximum number of existing Shares which may be delivered in settlement pursuant to the Awards, shall be adjusted, and if so, the manner in which such adjustments should be made.

Unless the LTIP Committee determines otherwise in consultation with the external auditor or Advisor, any changes to the Scheme shall be made in accordance with the formulae as set out in Schedule 1 to these By-Laws.

17.2 The provisions of this By-Law 17 shall not be applicable where an alteration in the capital structure of the Company arises from any of the following:

- (a) an issue of Shares pursuant to the vesting of Awards under the Scheme; or
- (b) an issue of securities as consideration or part consideration for an acquisition of any other securities, assets or business; or
- (c) an issue of securities as a private placement; or

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- (d) any special issuance of new Shares or other securities to Bumiputera investors nominated by the Malaysian government and/or any other relevant authority of the Malaysian government to comply with the Malaysian government's policy on Bumiputera capital participation; or
 - (e) a restricted issue of securities; or
 - (f) an issue of warrants, convertible loan stocks or other instruments by the Company which give a right of conversion into new Shares arising from the conversion of such securities; or
 - (g) a purchase by the Company of its own Shares of all or a portion of such Shares purchased pursuant to Section 127 of the Act.
- 17.3 Save as expressly provided for herein, the external auditors or Adviser (acting as expert and not arbitrator) must confirm in writing that the adjustments are in their opinion fair and reasonable. The opinion of the external auditors or Adviser shall be final, binding and conclusive.
- 17.4 In the event that the Company enters into any scheme of arrangement or reconstruction pursuant to Subdivision 2, Division 7, Part III of the Act, By-Laws 17.1 and 17.2 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 to which such By-Laws are applicable.
- 17.5 An adjustment pursuant to By-Law 17.1 shall be made according to the following terms:
- (a) in the case of a rights issue, bonus issue or other capitalisation issue, on the next Market Day immediately following the Entitlement Date in respect of such issue; or
 - (b) in the case of a consolidation or subdivision of Shares or reduction of capital, on the next Market Day immediately following the date on which such consolidation, subdivision or reduction becomes effective or such other day as may be prescribed by Bursa Securities.
- 17.6 Upon any adjustment required to be made pursuant to this By-Law 17, the Company shall notify the Grantee (or his/her duly appointed personal representatives where applicable) in writing and deliver to him/her (or his/her duly appointed personal representatives where applicable) a statement setting forth the number of Shares comprised in the unvested Awards which are the subject of the adjusted Award. Any adjustment shall take effect upon such written notification being given or such date as may be specified in such written notification.
- 17.7 Any adjustment pursuant to By-Law 17.1 shall be made in such a manner as to give the Grantee a fair and reasonable Award entitlement after taking into consideration the nature and effect of the relevant alteration in the capital structure of the Company.
- 17.8 Notwithstanding the provisions of this By-Law, the LTIP Committee may exercise its discretion to determine whether any adjustments to the number Shares be calculated on a different basis or date or should take effect on a different date or that such adjustments be made to the number of Shares.

DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

17.9 In the event that a fraction of a Share arises from the adjustments pursuant to this By-Law 17, the number of Shares comprised in an Award shall automatically be rounded down to the nearest whole number.

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

In the event of:

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

the LTIP Committee may at its discretion to the extent permitted by law allow the vesting of any Awards (or any part thereof) to the Grantee at any time subject to such terms and conditions as may be prescribed notwithstanding that:

- (i) the Vesting Date is not due or has not occurred; and/or
- (ii) the other terms and conditions set out in the Award have not been fulfilled or satisfied.

19. DIVESTMENT FROM THE GROUP, ETC

In the event that a Group Company shall be divested from the Group resulting in cessation of being a Subsidiary, a Grantee who is employed by such company:

- (a) shall cease to be capable of being vested with any unvested Shares under the Award from the date of completion of such divestment; and
- (b) shall no longer be eligible to participate for further Awards under the Scheme as from the date of completion of such divestment,

unless approved by the LTIP Committee in writing.

20. WINDING UP

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

PART VI

21. EFFECTIVE DATE, DURATION AND TERMINATION

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

- (a) submission of the final copy of the By-Laws to Bursa Securities;
- (b) approval from Bursa Securities for the listing of and quotation for up to ten percent (10%) of the total number of issued shares of the Company on the Main Market of Bursa Securities;
- (c) procurement of shareholders' approval for the Scheme;
- (d) receipt of approval of any other relevant authorities, where applicable; and
- (e) fulfilment or waiver (as the case may be) of all conditions attached to the above approvals, if any.

The Scheme shall be in force for duration of ten (10) years from the Effective Date and shall not be renewable. The date of expiry of the Scheme shall be at the end of the ten (10) years from the Effective Date.

21.2 The Award can only be made during the Duration of the Scheme before the Date of Expiry.

21.3 Notwithstanding anything to the contrary, all Awards shall lapse on the Date of Expiry.

21.4 The Scheme may be terminated by the LTIP Committee at any time before the Date of Expiry **PROVIDED THAT** the Company makes an announcement immediately to Bursa Securities. The announcement shall include:-

- (a) the effective date of termination ("**Termination Date**");
- (b) the number of Shares vested under the Scheme; and
- (c) the reasons and justification for termination.

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- 21.5 The Company may implement more than one (1) employee share scheme provided that the aggregate number of Share available under all the employee share schemes implemented by the Company is not more than fifteen percent (15%) of its total number of issued shares (excluding treasury shares, if any) at any one time or any other limit in accordance with any prevailing guidelines issued by Bursa Securities or any other relevant authorities as amended from time to time.
- 21.6 In the event of termination as stipulated in By-Law 21.4 above, the following provisions shall apply:-
- (a) no further Awards shall be made by the LTIP Committee from the Termination Date;
 - (b) all LTIP Awards which have yet to be accepted by Eligible Persons shall automatically lapse on the Termination Date; and
 - (c) all Shares which have not yet vested in the Eligible Persons shall automatically lapse on the Termination Date.
- 21.7 Approval or consent of the shareholders of the Company by way of a resolution in a general meeting and written consent of Grantees who have yet to be vested with the unvested Shares are not required to effect a termination of the Scheme.

22. NO COMPENSATION FOR TERMINATION

- 22.1 No Eligible Person shall be entitled to any compensation for damages arising from the termination of any Award or this Scheme pursuant to the provisions of these By-Laws.
- 22.2 Notwithstanding any provisions of these By-Laws:
- (a) this Scheme shall not form part of any contract of employment between the Company or any Group Company and any Eligible Person. The rights of any Eligible Person under the terms of his/her office and/or employment with any Group Company shall not be affected by his/her participation in the Scheme, nor shall such participation or the Award or consideration for the Award afford such Eligible Person any additional rights to compensation or damages in consequence of the termination of such office or employment for any reason;
 - (b) this Scheme shall not confer on any person any legal or equitable right or other rights under any other theory of law (other than those constituting the Award themselves) against the Company or any Group Company, directly or indirectly, or give rise to any course of action in law or in equity or under any other theory of law against any Group Company;
 - (c) no Grantee or Eligible Person or his/her Representative shall bring any claim, action or proceeding against any Group Company, the LTIP Committee or any other party for compensation, loss or damages whatsoever and howsoever arising from the suspension/cancellation of his/her rights/grant of his/her Award or his/her rights/ Award ceasing to be valid pursuant to the provisions of these By-Laws; and

DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

- (d) the Company, the Board, the LTIP Committee or any Group Company shall in no event be liable to the Grantee or Eligible Person or his/her personal or legal representative or any other person or entity for any third party claim, loss of profits, loss of opportunity, loss of savings or any punitive, incidental or consequential damage, including without limitation lost profits or savings, directly or indirectly arising from the breach or non-performance of these By-Laws or any loss suffered by reason of any change in the price of the Shares or from any other cause whatsoever whether known or unknown, contingent, absolute or otherwise, whether based in contract, tort, equity, indemnity, breach of warranty or otherwise and whether pursuant to common law, statute, equity or otherwise, even if the Company, Group Company, the Board or the LTIP Committee has been advised of the possibility of such damage.

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

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

- (a) prejudice any rights which have accrued to any Grantee without the prior consent or sanction of that Grantee; or
- (b) increase the number of Shares available under the Scheme beyond the Maximum Limit; or
- (c) alter any matter which are required to be contained in these By-Laws by virtue of the Listing Requirements to the advantage of the Eligible Person and/or Grantee, without the prior approval of shareholders of the Company obtained at a general meeting,

unless allowed otherwise under the provisions of the Listing Requirements.

23.2 For the purpose of complying with the provisions of the Listing Requirements, By-Laws 4, 5, 6, 7, 8, 10, 11, 12, 16, 17 and 21 shall not be amended or altered in any way whatsoever for the advantage of Eligible Persons without the prior approval of shareholders of the Company obtained at a general meeting and subject to any applicable laws.

23.3 Upon amending and for modifying all or any of the provisions of the Scheme, the Company shall within five (5) Market Days after the effective date of the amendments, cause to be submitted to Bursa Securities the amended By-Laws and a confirmation letter that the said amendment and/or modification complies and does not contravene any of the provisions of the Listing Requirements in relation to the Scheme.

PART VII

24. ADMINISTRATION

- 24.1 The Scheme shall be administered by the LTIP Committee. The LTIP Committee shall, subject to these By-Laws, administer the Scheme in such manner as it shall think fit and with such powers and duties as are conferred upon it by the Board. The decision of the LTIP Committee shall be final and binding.
- 24.2 Without limiting the generality of By-Law 24.1, the LTIP Committee may, for the purpose of administering the Scheme, do all acts and things, rectify any errors in an Award, execute all documents and delegate any of its powers and duties relating to the Scheme as it may at its discretion consider to be necessary or desirable for giving effect to the Scheme.
- 24.3 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 LTIP Committee as it shall deem fit.

25. DISPUTES

- 25.1 In case any dispute or difference shall arise between the LTIP Committee and an Eligible Person or a Grantee or in the event of an appeal by an Eligible Person or a Grantee, as the case may be, as to any matter of any nature arising hereunder, such dispute or appeal must have been referred to and received by the LTIP Committee during the Duration of the Scheme. The LTIP Committee shall then determine such dispute or difference by a written decision (without the obligation to give any reason therefor) given to the Eligible Person and/or Grantee, as the case may be, **PROVIDED THAT** where the dispute is raised by a member of the LTIP Committee, the said member shall abstain from voting in respect of the decision of the LTIP Committee in that instance. In the event the Eligible Person or Grantee, as the case may be, shall dispute the same by written notice to the LTIP Committee within fourteen (14) days of the receipt of the written decision, then such dispute or difference shall be referred to the Board, whose decision shall be final and binding in all respects, provided that any Director of the Company who is also in the LTIP Committee shall abstain from voting and no person shall be entitled to dispute any decision or certification which is stated to be final and binding under these By-Laws. Under no circumstances shall a dispute or difference be brought to a court of law. Notwithstanding anything herein to the contrary, any costs and expenses incurred in relation to any dispute or difference or appeal brought by any party to the LTIP Committee shall be borne by such party.
- 25.2 Notwithstanding the foregoing provisions of By-Law 25.1 above, matters concerning adjustments made pursuant to By-Law 17 shall be referred to external auditors of the Company or Adviser, who shall act as experts and not as arbitrators and whose decision shall be final and binding in all respects.

26. COSTS AND EXPENSES

All fees, costs and expenses incurred in relation to the Scheme including but not limited to the fees, costs and expenses relating to the issuance and allotment of the Shares pursuant to the Award, shall be borne by the Company. For the avoidance of doubt, the Company shall not be liable for any costs and expenses incurred by the Grantee for the opening and maintenance of his or her own CDS Account and for all trading activities after the Shares have been successfully vested with the Grantee.

27. CONSTITUTION

In the event of a conflict between any of the provisions of these By-Laws and the Constitution, the Constitution shall at all times prevail, save and except where such provisions of the By-Laws are included pursuant to the Listing Requirements.

28. NOTICE

28.1 Any notice or request or letter, including the Award Letter which the Company or the LTIP Committee is required to give, or may desire to give, to any Eligible Person or the Grantee pursuant to the Scheme shall be in writing and shall be deemed to be sufficiently given:

- (a) if it is sent by ordinary post to the Eligible Person or the Grantee at the last address known to the Company as being his/her address, such notice or request shall be deemed to have been received three (3) Market Days after posting;
- (b) if it is delivered by hand to the Eligible Person or the Grantee, such notice or request shall be deemed to have been received on the date of delivery; and
- (c) if it is sent by digital means, including but not limited to electronic mail, to the Eligible Person or the Grantee, such notice or request or letter shall be deemed to have been received by the recipient on the Market Day immediately following the day on which the electronic mail is sent or (in the case of communication by other digital means) on the Market Day immediately following the day on which such communication is effected or otherwise upon confirmation or notification received after the sending of notice or request or letter by the Company or the LTIP Committee, whichever is earlier.

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

28.2 Where any notice which the Company or the LTIP Committee is required to give, or may desire to give, in relation to matters which may affect all the Eligible Persons or all the Grantee (as the case may be) pursuant to the Scheme, the Company or the LTIP Committee may give such notice through an announcement to all employees of the Group to be made in such manner deemed appropriate by the LTIP Committee (including via digital means). Upon the making of such an announcement, the notice to be made under By-Law 28.1 shall be deemed to be sufficiently given, served or made to all affected Eligible Persons or Grantee, as the case may be.

28.3 Any acceptance and non-acceptance of Award and normal correspondence (other than notice/process) under the Scheme (collectively known as “**Normal Correspondence**”) to be given to or served upon the Board or the Company or the LTIP Committee, as the case may be, shall be given, served or made in writing and delivered by electronic mail to such e-mail address specified by the Company (if to be given to or served upon the Board or the LTIP Committee) or such communication by other digital means as may be prescribed by the Board and/or LTIP Committee, and shall be deemed to have been received by the recipient (in the case of electronic mail) on the Market Day immediately following the day on which the electronic mail is dispatched or (in the case of communication by other digital means) on the Market Day immediately following the day on which such communication is effected or otherwise upon confirmation or notification received after the sending of Normal Correspondence, whichever is earlier.

29. SEVERABILITY

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

30. GOVERNING LAW AND JURISDICTION

30.1 These By-Laws shall be governed and construed in accordance with the laws of Malaysia and the Eligible Person and/or Grantee shall subject to the provisions of By-Law 25 submit to the exclusive jurisdiction of the courts of Malaysia in all matters connected with the obligations and liabilities of the parties hereto under or arising out of these By-Laws.

30.2 Any proceeding or action shall subject to the provisions of By-Law 25, be instituted or taken in Malaysia and the Eligible Person and/or Grantee irrevocably and unconditionally waives any objection on the ground of venue or forum non-convenience or any other grounds.

30.3 In order to facilitate the offer of any Award (and/or the benefit thereof) under this Scheme, the LTIP Committee may provide for such special terms to the Eligible Persons who are employed by any Group Company in a particular jurisdiction, or who are nationals of any particular jurisdiction, that is outside Malaysia, as the LTIP Committee may consider necessary or appropriate for the purposes of complying with differences in local law, tax, policy or custom of that jurisdiction. The LTIP Committee may further approve such supplements to or amendments, restatements or alternative versions of the Scheme as it may consider necessary or appropriate for such purposes without affecting the terms of the Scheme as in effect for any other purpose, and the secretary of the Company or any other appropriate officer of the Company may certify any such document as having been approved and adopted in the same manner as the Scheme. No such special terms, supplements, amendments or restatements, however, shall include any provisions that are inconsistent with the terms of this Scheme, as then in effect unless this Scheme has been amended to eliminate such inconsistency. Notwithstanding the above, any Award offered to such Eligible Person pursuant to the Scheme shall be valid strictly in Malaysia only unless specifically mentioned otherwise by the LTIP Committee in the Award.

30.4 Any notice/process required to be given to or served upon the Board or the LTIP Committee by an Eligible Employee shall be deemed to be sufficiently given, served or made if it is given served or made by hand, by facsimile transmission and/or by letter sent via ordinary post addressed to the Eligible Employee at his place of employment, at his last facsimile transmission number known to the Company, or to his last-known address. Any notice/process served by hand, by facsimile, by post as aforesaid shall be deemed to have been received at the time when such notice (if by hand) is received and duly acknowledged, (if by facsimile transmission) is transmitted with a confirmed log print-out for the transmission indicating the date, time and transmission of all pages, and (if by post) on the day the letter containing the same is posted and in proving such service by post, it shall be sufficient to prove that the letter containing the notice or documents was properly addressed, stamped and posted.

DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

- 30.5 Any notice/process required to be given to or served upon the Board or the LTIP Committee by an Eligible Employee shall be given, served or made in writing and delivered by hand or by registered post to the registered office of the Company (or such other office or place which the LTIP Committee may have stipulated for this purpose). Any notice/process served by hand or post as aforesaid shall be deemed to have been received at the time when such notice (if by hand) is received and duly acknowledged and (if by post) five (5) Market Days after postage.
- 30.6 No action has been or will be taken by the Company to make an Award valid in any country or jurisdiction other than Malaysia or to ensure compliance of the Award with all applicable laws and regulations in any other country or jurisdiction other than Malaysia. No action has or will be taken also by the Company to ensure compliance by the Eligible Person to whom an Award is offered, with all applicable laws and regulations in such other country or jurisdiction in which the Eligible Person accepts the Award or be vested the Shares under the Award.
- 30.7 Any Eligible Person to whom an Award is offered is required to ensure that they comply with all applicable laws and regulations in each country or jurisdiction in or from which they accept the Award or be vested the Shares under the Award. Grantees who are employed by a Group Company in a particular jurisdiction, or who are nationals of any particular jurisdiction, that is outside Malaysia, should consult their legal advisers as to whether the Award would result in the contravention of any laws of such countries or jurisdictions, and in the event that the Award would result in the contravention of any laws of such countries or jurisdictions, the Grantees will have no rights or claims whatsoever against the Company in respect of their Award. By their acceptance of an Award, each Grantee has represented, warranted and agreed that they have and will continue to observe all applicable laws and regulations in the jurisdiction in which they accept the Award and/or be vested the Shares under the Award.

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SCHEDULE 1

ADJUSTMENT

- (a) If and whenever a Share is consolidated or subdivided or converted, the additional number of new Shares relating to the Award to be issued shall be calculated in accordance with the following formula:

$$\text{Additional number of Shares} = T \times \left[\frac{\text{Revised total number of Shares after consolidation, sub-division or conversion}}{\text{Original total number of Shares}} \right] - T$$

Where T = existing number of Shares to be vested

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

- (b) If and whenever the Company issues new Shares to the ordinary shareholders credited as fully paid-up, by way of bonus issue or capitalisation of profits or reserves (whether of a capital or income nature) or by way of increasing the number of issued shares without capitalisation of profits or reserves, the additional number of new Shares relating to the Award to be issued shall be calculated as follows:

$$\text{Additional number of Shares} = T \times \left[\frac{A + B}{A} \right] - T$$

where:

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

DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

- (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
 - (ii) any offer or invitation to its ordinary shareholders by way of rights pursuant to which they may acquire or subscribe for Shares; or
 - (iii) any offer or invitation to ordinary shareholders by way of rights pursuant to which they may acquire or subscribe for securities convertible into Shares or securities with rights to acquire or subscribe for Shares,

in respect of the case referred to in Section (c)(ii) hereof, the adjusted number of Shares comprised in the Scheme to be issued/the adjusted number of Shares to be vested under an Award shall be calculated as follows:-

$$\text{Adjusted number of Shares} = T \times \left[\frac{C}{C-D} \right]$$

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 - the value of the rights attributable to one (1) Shares (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;

DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

F = the number of 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 Section (c) hereof, “**Capital Distribution**” shall (without prejudice to the generality of that expression) include distribution in cash or specie (other than dividend) or by way of issue of Shares (not falling under Section (b) hereof) or other securities credited as fully or partly paid-up by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund) (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 (including any share premium account or capital redemption reserve fund) made (wherever 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 Section (b) of this Schedule 1 and also makes an offer or invitation to its ordinary shareholders as provided in Section (c)(ii) in this Schedule 1 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 Shares comprised in the Scheme to be issued/the adjusted number of Shares to be vested under an Award shall be calculated as follows:-

$$\text{Adjusted number of Shares} = T \times \left[\frac{(G + H + B) \times C}{(G \times C) + (H \times I)} \right]$$

Where

B - as B above;

C - as C above;

G - the aggregate number of issued and fully paid-up Shares on the Entitlement Date;

H - the aggregate number of new Shares to be issued pursuant to an offer or invitation to acquire or subscribe for Shares by way of rights;

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

T - as T above.

DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

Such adjustments 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 Shares as provided under Section (c)(ii) of this Schedule 1 together with an offer or invitation to acquire or subscribe for securities convertible into or rights to acquire or subscribe for Shares as provided in Section (c)(iii) of this Schedule 1, the adjusted number of Shares comprised in the Award to be issued shall be calculated as follows:

$$\text{Adjusted number of Shares} = \frac{T \times (G + H + J) \times C}{(G \times C) + (H \times I) + (J \times K)}$$

Where:

C - as C above;

G - as G above;

H - as H above;

I - as I above;

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

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

T - as T above

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

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DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)

- (f) If and whenever the Company makes an allotment to its ordinary shareholders as provided under Section (b) of this Schedule 1 and also makes an offer or invitation to its ordinary shareholders to acquire or subscribe for Shares as provided under Section (c)(ii) of this Schedule 1, together with rights to acquire or subscribe for securities convertible into Shares or with rights to acquire or subscribe for Shares as provided under Section (c)(iii) of this Schedule 1, and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of offer or invitation, the adjusted number of Shares comprised in the Award to be issued shall be calculated as follows:

$$\text{Adjusted number of Shares} = \frac{T \times (G + H + J + B) \times C}{(G \times C) + (H \times I) + (J \times K)}$$

where:

- B - as B above;
C - as C above;
G - as G above;
H - as H above;
I - as I above;
J - as J above;
K - as K above;
T - as T above

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

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