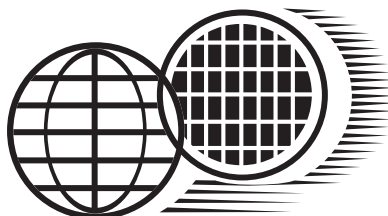


THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness, and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



**Globetronics
Technology Bhd.**

Registration No. 199601037932 (410285-W)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

- (I) **PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME ("ESOS") OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF GLOBETRONICS TECHNOLOGY BHD ("GTB" OR "COMPANY") (EXCLUDING TREASURY SHARES) AT ANY POINT IN TIME DURING THE DURATION OF THE SCHEME FOR THE ELIGIBLE DIRECTORS AND EMPLOYEES OF GTB AND ITS SUBSIDIARY COMPANIES (EXCLUDING SUBSIDIARY COMPANIES WHICH ARE DORMANT) ("PROPOSED ESOS"); AND**
- (II) **PROPOSED ALLOCATION OF ESOS OPTIONS TO THE EXECUTIVE DIRECTORS OF GTB AND PERSONS CONNECTED TO THEM PURSUANT TO THE PROPOSED ESOS**

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser

RHB InvestmentBank

RHB Investment Bank Berhad

Registration No. 197401002639 (19663-P)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of the Extraordinary General Meeting ("**EGM**") of GTB to be held at Ballroom 2, Lower Ground (LG) Level – Main Wing, Hotel Equatorial Penang, No. 1 Jalan Bukit Jambul, 11900 Bayan Lepas, Penang on Wednesday, 22 July 2020, at 11.00 a.m., or immediately following the conclusion or adjournment of the 23rd Annual General Meeting ("**AGM**") of the Company, scheduled to be held at the same venue and on the same date at 10.30 a.m., whichever shall be later, together with the accompanying Proxy Form are enclosed herewith.

If you are unable to attend and vote at the EGM, you may complete the Proxy Form and deposit it at the Registered Office of the Company at 51-21-A, Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Penang, Malaysia not less than 48 hours before the time appointed for holding the meeting or adjournment thereof, or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll or any adjournment thereof. The lodgement of the Proxy Form does not preclude you from attending, participating, speaking and voting in person at the EGM should you subsequently decide to do so.

Last date and time for lodging the Proxy Form : Monday, 20 July 2020, at 11.00 a.m.
Date and time of the EGM : Wednesday, 22 July 2020, at 11.00 a.m., or immediately following the conclusion or adjournment of the AGM, scheduled to be held at the same venue and on the same date at 10.30 a.m., whichever shall be later.

This Circular is dated 16 June 2020

DEFINITIONS

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

“Act”	: Companies Act 2016
“AGM”	: Annual General Meeting
“Board”	: Board of Directors of GTB
“Bursa Depository”	: Bursa Malaysia Depository Sdn Bhd (Registration No.: 198701006854 (165580-W))
“Bursa Securities”	: Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
“By-Laws”	: The by-laws governing the Proposed ESOS, as may be modified, varied and/or amended from time to time, the draft of which is set out in Appendix I of this Circular
“Circular”	: This circular to shareholders of GTB dated 16 June 2020 in relation to the Proposals
“CMSA”	: Capital Markets and Services Act 2007
“Director(s)”	: The directors of GTB and shall have the meaning given in Section 2(1) of the CMSA
“EGM”	: Extraordinary general meeting
“Eligible Person(s)”	: The eligible directors and employees of GTB Group (excluding subsidiaries which are dormant)
“ESOS”	: Employees' share option scheme
“ESOS Committee”	: A committee to be appointed by the Board in accordance with the By-Laws
“ESOS Option(s)”	: A right to subscribe for and/or acquire Shares at a pre-determined option price in accordance with the By-Laws
“EPS”	: Earnings per Share
“FPE”	: Financial period(s) ended/ending, as the case may be
“FYE”	: Financial year(s) ended/ending, as the case may be
“Grantee”	: An Eligible Person who has accepted an Offer
“GTB” or “Company”	: Globetronics Technology Bhd (Registration No.: 199601037932 (410285-W))
“GTB Group” or “Group”	: GTB and its subsidiary companies
“GTB Share(s)” or “Share(s)”	: Ordinary share(s) in GTB
“Listing Requirements”	: Main Market Listing Requirements of Bursa Securities
“LPD”	: 21 May 2020, being the latest practicable date prior to the printing of this Circular

DEFINITIONS (Cont'd)

“Market Day(s)”	:	Any day(s) between Monday to Friday (inclusive), excluding public holidays, and a day on which Bursa Securities is open for trading of securities
“MFRS 2”	:	Malaysian Financial Reporting Standard 2 on “Share-Based Payment” issued by the Malaysian Accounting Standard Board
“NA”	:	Net assets
“Offer”	:	The offer of ESOS Options made in writing by the ESOS Committee to the Eligible Persons
“Option Price”	:	The price which a Scheme Participant is required to pay to be entitled to subscribe for and/or acquire the Shares under the Proposed ESOS pursuant to the exercise of the ESOS Option
“Proposals”	:	Proposed ESOS and Proposed Allocation, collectively
“Proposed Allocation”	:	Proposed allocation of ESOS Options to the executive Directors of GTB and persons connected to them pursuant to the Proposed ESOS
“Proposed ESOS” or “ESOS Scheme”	:	Proposed establishment of an ESOS of up to 10% of the total number of issued shares of the Company (excluding treasury shares) at any point in time during the duration of the scheme for the Eligible Persons
“RHB Investment Bank” or “Principal Adviser”	:	RHB Investment Bank Berhad (Registration No.: 197401002639 (19663-P))
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“Scheme Participants”	:	Eligible Persons who have duly accepted the offer of the ESOS in writing in accordance with the By-Laws
“Termination Date”	:	The date on which GTB terminates the Proposed ESOS at any time during the scheme period, whereupon any unexercised ESOS Options shall be deemed to have been cancelled and be null and void on the date specified in the notice
“VWAMP”	:	Volume weighted average market price

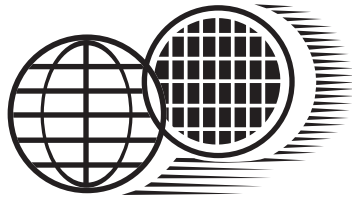
Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be reference to Malaysian time, unless otherwise specified.

Certain figures included in this Circular have been subjected to rounding adjustments.

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**Globetronics
Technology Bhd.**

Registration No. 199601037932 (410285-W)
(Incorporated in Malaysia)

Registered Office:

51-21-A Menara BHL Bank
Jalan Sultan Ahmad Shah
10050 Penang
Malaysia

16 June 2020

Board of Directors:

Ng Kweng Chong (*Founder and Executive Chairman*)
Dato' Heng Huck Lee (*Chief Executive Officer/Executive Director*)
Dato' Norhalim Bin Yunus (*Non-Independent Non-Executive Director*)
Ng Kok Khuan (*Non-Independent Non-Executive Director*)
Dato' Syed Mohamad Bin Syed Murtaza (*Independent Non-Executive Director*)
Dato' Iskandar Mizal Bin Mahmood (*Independent Non-Executive Director*)
Yeow Teck Chai (*Independent Non-Executive Director*)
Lam Voon Kean (*Independent Non-Executive Director*)
Ong Huey Min (*Independent Non-Executive Director*)

To: The Shareholders of GTB

Dear Sir/ Madam,

- (I) **PROPOSED ESOS**
- (II) **PROPOSED ALLOCATION**

1. INTRODUCTION

On 25 February 2020, RHB Investment Bank had, on behalf of the Board, announced that the Company proposes to establish an ESOS of up to 10% of the total number of issued shares of the Company (excluding treasury shares) for the Eligible Persons at any point in time over the duration of the ESOS.

On 6 March 2020, RHB Investment Bank had, on behalf of the Board, announced that Bursa Securities had vide its letter dated 6 March 2020, approved the listing and quotation of the new GTB Shares to be issued arising from the exercise of the ESOS Options, subject to the conditions as set out in **Section 6** of this Circular.

Details of the Proposals are set out in the ensuing sections of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE THE SHAREHOLDERS OF GTB WITH THE RELEVANT INFORMATION ON THE PROPOSALS AS WELL AS TO SEEK THE APPROVAL FROM THE SHAREHOLDERS OF GTB BY WAY OF POLL FOR THE ORDINARY RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY. THE NOTICE OF THE FORTHCOMING EGM AND THE FORM OF PROXY ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.

SHAREHOLDERS OF GTB ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING BY WAY OF POLL ON THE ORDINARY RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSALS

2.1 Proposed ESOS

The Company is proposing to establish and implement the Proposed ESOS which will involve the granting of rights to subscribe for new GTB Shares at a specified price, in accordance with the By-Laws.

The ESOS Option(s) will be offered to Eligible Persons as set out in the By-Laws.

The Proposed ESOS will be administered by the ESOS Committee.

2.1.1 Salient terms of the By-Laws

The salient terms of the By-Laws are set out below:

- (i) **Maximum number of new Shares available under the ESOS Scheme**
 - (a) The maximum number of new Shares which may be made available under the ESOS Scheme shall not in aggregate exceed 10% of the total number of Shares (excluding treasury shares) at any point of time during the duration of the Proposed ESOS;
 - (b) **Section 2.1.1(i)(a)** of this Circular shall not apply, in the event the total number of new Shares that may be made available under the ESOS Scheme exceeds 10% of the total number of Shares (excluding treasury shares) as a result of the Company purchasing, cancelling and/or reducing its Shares in accordance with the provisions of the Act or GTB undertaking any corporate proposal and thereby diminishing the total number of Shares, then such ESOS Options granted prior to the adjustment of the issued Shares of the Company (excluding treasury shares) shall remain valid and exercisable in accordance with the provisions of the ESOS Scheme. However, in such a situation, the ESOS Committee shall not make any further offer of ESOS Option(s) until the total number of Shares under the ESOS falls below 10% of the Company's total number of Shares (excluding treasury shares); and
 - (c) The Company will for the duration of the ESOS Scheme make available sufficient number of new Shares to satisfy all outstanding Offers and ESOS Option(s), which may be accepted or exercisable from time to time.

(ii) Eligibility

- (a) To be eligible for participation in the ESOS Scheme, a person must as at the date on which an Offer is made by the ESOS Committee to the Eligible Person, which shall fall on any date within the grant period (“**Offer Date**”):
 - (aa) is at least 18 years of age, is a Malaysian citizen and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (ab) is confirmed in writing as a full-time employee and has been in the employment of the Company or any company in the Group for at least 3 months of continuous service prior to and up to the Offer Date and his employment must have been confirmed in writing on or prior to the Offer Date, including service during the probation period;
 - (ac) if he is a contract worker on a full time basis serving under a contract of employment. For such contract workers, the contract of employment should be for a duration of at least 1 year, unless otherwise decided by the ESOS Committee in its absolute discretion; and
 - (ad) fulfils any other criteria and/or falls within such category as may be determined by the ESOS Committee at its sole discretion from time to time.
- (b) In respect of an executive Director, the executive Director must fulfill the following criteria as at the Offer Date:
 - (ba) is at least 18 years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (bb) has been appointed as an executive Director of the Company or any company in the Group for such period as may be determined by the ESOS Committee prior to and up to the Offer Date; and
 - (bc) fulfils any other criteria and/or falls within such category as may be determined by the ESOS Committee at its sole discretion from time to time.
- (c) The selection of any Eligible Person to participate in the ESOS Scheme shall be at the discretion of the ESOS Committee and the decision of the ESOS Committee shall be binding and final.
- (d) The ESOS Committee may from time to time and at its own discretion decide on certain performance targets to be achieved by the Grantee before the ESOS Options can be vested and exercised into GTB Shares and such terms, if any, will be stipulated in the Offer(s). For the avoidance of doubt, no performance targets have been identified as at the LPD.
- (e) No Eligible Person shall participate at any time in more than 1 ESOS implemented by any company within GTB Group unless otherwise approved by the ESOS Committee.

- (f) An employee or executive Director of GTB Group, who during the duration of the ESOS Scheme becomes an Eligible Person, may at the discretion of the ESOS Committee, be eligible to participate in the ESOS Scheme, subject to the limits as set out in **Section 2.1.1(i)** of this Circular.
- (g) No ESOS Option(s) will be granted to any major shareholder who is an employee or director or chief executive of the Company or a person connected to a major shareholder or a director or chief executive of the Company, unless the Offer and grant of ESOS Option(s) to that employee or director or chief executive or such person connected shall have previously been approved by the shareholders of the Company in a general meeting. In the By-Laws, "person connected" and "major shareholder" and "chief executive" shall respectively have the same meanings as defined in Paragraph 1.01 of the Listing Requirements. All major shareholder who is an employee of the Company or a person connected, shall abstain from voting on the resolution approving the said allocation.
- (h) Eligibility to participate in the ESOS Scheme does not confer on an Eligible Person a claim or right to participate in the ESOS Scheme unless the ESOS Committee has made an Offer and the Eligible Person has accepted the Offer in accordance with the terms of the Offer and the ESOS Scheme.
- (i) Subject to the approval of the relevant authorities, the Company may establish a new ESOS after the expiry of the existing ESOS Scheme or where the existing ESOS Scheme has been terminated during the duration of the ESOS Scheme. An Eligible Person who has been granted ESOS Option(s) under the earlier ESOS which has expired or been terminated may be allowed to participate in the new ESOS Scheme, subject to the then by-laws of the new ESOS Scheme.

It is the intention of GTB that only the executive Directors of the Company shall be eligible to participate in the Proposed ESOS and all the non-executive Directors of the Company shall not be entitled to participate in the Proposed ESOS.

(iii) Basis of allotment and maximum allowable allotment of Shares to Eligible Persons

- (a) Subject to **Section 2.1.1(i)** of this Circular and any adjustments which may be made in accordance with the By-Laws, the number of ESOS Option(s) to be allocated to an Eligible Person at any time in each Offer made pursuant to the ESOS Scheme shall be at the sole and absolute discretion of the ESOS Committee after taking into consideration, amongst other factors, the Eligible Person's designation, grade, length of service, work performance, fulfillment of the eligibility criteria as stated in **Section 2.1.1(ii)** of this Circular, and/or such other factors as the ESOS Committee deems fit, and subject to the following conditions:
 - (aa) the total number of Shares that are made available under the ESOS Scheme shall not exceed the amount stipulated in **Section 2.1.1(i)(a)** of this Circular;

- (ab) not more than 10% (or such other percentage as may be permitted by Bursa Securities or any other relevant regulatory authorities from time to time) of the total Shares to be issued and allotted under the ESOS Scheme are to be allocated to any Eligible Person who either singly or collectively through persons connected with him/her, holds 20% (or such other percentage as may be permitted by Bursa Securities or any other relevant regulatory authorities from time to time) or more of the total number of Shares (excluding treasury shares) of the Company;
 - (ac) not more than 50% of the total number of Shares to be issued under the ESOS Scheme shall be allocated, in aggregate, to the executive Directors of GTB Group (excluding dormant subsidiaries within GTB Group);
 - (ad) not more than 70% of the total number of Shares to be issued under the ESOS Scheme shall be allocated, in aggregate, to the executive Directors and senior management of GTB Group (excluding dormant subsidiaries within GTB Group); and
 - (ae) the executive Directors and senior management of the Group as well as persons connected with them, if any shall not participate in the deliberation or discussion of their respective allocation.
- (b) At the time the Offer is made, the ESOS Committee shall set out the basis of allotment, identifying the category or grade of the Eligible Person and the maximum number of Shares to the Eligible Person and the maximum number of Shares for each class or grade of employees and executive Directors from time to time applicable shall be clearly notified to the employees of GTB Group either by way of posting on a notice board in the offices of GTB Group or notification in writing to the employees.
 - (c) The actual aggregate maximum allocation to the executive Directors of GTB Group and persons connected to them, and eligible employees of GTB Group, will be determined by the ESOS Committee at its absolute discretion and in consultation with the relevant advisers (if required) and in accordance with the By-Laws.
 - (d) Any Eligible Person who holds more than one position within GTB Group, and by holding such positions, the Eligible Person is in more than one category, shall only be entitled to the maximum number of Shares of any one of those categories. The ESOS Committee shall be entitled at its discretion to determine the applicable category.

- (e) In the event that an Eligible Person is promoted, the maximum number of Shares applicable to such Eligible Person shall be the maximum number of Shares corresponding to the category of employee of which he then is an employee, subject always to the maximum number of Shares available under the ESOS Scheme as stipulated under **Section 2.1.1(i)(a)** of this Circular.
- (f) As part of the Company's annual audit, the Company shall have the discretion to appoint either an external auditor or internal auditor to verify that the allocation and vesting of ESOS Option(s) to the Eligible Person are in compliance with the criteria set out in the By-Laws and to table the same to the audit and risk management committee for verification.

(iv) Basis of determining the Option Price

- (a) The Option Price shall be a price to be determined by the Board upon recommendation of the ESOS Committee based on the 5-day VWAMP of the Shares immediately preceding the Offer Date, with a discount of not more than 10% during the duration of the ESOS Scheme, which the Company may at its discretion decide to give.
- (b) In addition, the Option Price as determined by the Board upon recommendation of the ESOS Committee shall be conclusive and binding on the Grantee and shall be subject to any adjustments in accordance with the By-Laws.

(v) Rights attaching to the Shares

The new GTB Shares to be issued pursuant to the exercise of any vested ESOS Option(s), shall, upon allotment and issuance, rank equally in all respects with the then existing GTB Shares, save and except that they will not be entitled to any dividend, right, allotment, and/or other form of distribution that may be declared, made or paid, where the entitlement date of which is prior to the allotment date of the new GTB Shares to be issued pursuant to the exercise of the ESOS Options and will be subject to all the provisions of the Constitution of the Company and the Listing Requirements relating to transfer, transmission and otherwise of the Shares.

(vi) Listing and quotation of new GTB Shares arising from the exercise of ESOS Options

- (a) Upon exercise of the ESOS Option(s), such new GTB Shares to be allotted and issued will be listed and quoted on the Main Market of Bursa Securities.
- (b) The Company and the ESOS Committee shall not under any circumstance be held liable for any cost, loss and damages whatsoever and however relating to the delay on the part of the Company in allotting and issuing GTB Shares or in procuring Bursa Securities to list GTB Shares for which the Grantee is entitled to subscribe.

(vii) Duration of the ESOS Scheme

- (a) The effective date for the implementation of the ESOS Scheme (“**Effective Date**”) shall be the date to be determined by the Board subject to full compliance with all relevant requirements of the Listing Requirements, including the following:
 - (aa) submission of the final copy of the By-Laws to Bursa Securities pursuant to the Listing Requirements;
 - (ab) receipt of the approval-in-principle for the listing and quotation of the Shares to be issued under the ESOS Scheme from Bursa Securities;
 - (ac) procurement of the approval of the shareholders of the Company for the ESOS Scheme;
 - (ad) receipt of approval of any other relevant authorities, where applicable; and
 - (ae) fulfillment or waiver (as the case may be) of all conditions attached to any of the abovementioned approvals, if any.
- (b) RHB Investment Bank shall submit a confirmation letter to Bursa Securities on the full compliance by the Company of the relevant requirements of the Listing Requirements stating the effective date of implementation of the ESOS Scheme together with a certified true copy of a resolution passed by the shareholders of the Company in general meeting. The confirmation letter shall be submitted to Bursa Securities no later than 5 Market Days after the Effective Date or such other period as may be prescribed by Bursa Securities.
- (c) The ESOS Scheme shall be in force for a duration of 5 years from the Effective Date. The Company may, if the Board deems fit and upon the recommendation of the ESOS Committee extend the ESOS Scheme for another period of up to a maximum of 5 years provided always that the ESOS Scheme does not exceed a maximum period of 10 years.
- (d) The ESOS Committee may at its sole and absolute discretion determine whether the granting of ESOS Options to the Eligible Persons will be based on staggered granting over the duration of the ESOS Scheme or in 1 single grant and/or whether the ESOS Options are subject to any vesting period and if so to determine the vesting conditions for the ESOS Options. The granting of the ESOS Options whether by staggered or single grant shall be as specified in the Offer.

(viii) Amendments and/or modifications to the By-Laws

Subject to the approvals of any relevant regulatory authorities (if required), the ESOS Committee may, at any time, and from time to time recommend to the Board any addition, modification or amendment to or deletion of the By-Laws as it shall at its sole discretion deem fit, and the Board shall have the power at any time and from time to time by resolution to add, amend, modify and/or delete all or any part of the provisions of the ESOS Scheme and these By-Laws provided that no such amendment and/or modification shall be made which would either prejudice the rights then accrued to any Grantee who has accepted an ESOS Option(s) without his prior consent or alter the provisions of the ESOS Scheme to the advantage of any Grantee, without the prior approval of the shareholders of the Company in general meeting. The approval of the shareholders of the Company in general meeting shall not be required in respect of additions or amendments to or deletions of these By-Laws provided that no addition, amendment or deletion shall be made to these By-Laws (including matters specified in the Listing Requirements to be contained in the By-Laws or such other matters as may be determined by Bursa Securities from time to time), which would render the rights of any Grantee more favourable.

(ix) Retention period

The Shares to be issued to a Grantee pursuant to the exercise of ESOS Options under the ESOS Scheme will not be subjected to any retention period or restriction on transfer. However, GTB encourages the Grantees to hold GTB Shares as a long-term investment and not for any speculative and/or realisation of immediate gain to yield profit.

2.1.2 Utilisation of proceeds

For the avoidance of doubt, the issuance of the ESOS Options pursuant to the Proposed ESOS will not raise any proceeds. Save for the consideration payable for the acceptance of the ESOS Options, the ESOS Options will be issued at no cost to the ESOS Participants. The costs and expenses relating to the issuance and/or transfer of the Shares pursuant to the exercise of ESOS Options, shall be borne by GTB. The actual proceeds to be raised from the Proposed ESOS will be dependent on the number of ESOS Options granted and exercised at the relevant point in time and the Option Price payable upon the exercise of the ESOS Options. As such, the exact amount of proceeds to be received and timeframe for the utilisation of proceeds are not determinable at this juncture.

Any future proceeds to be received by the Company from the exercise of the ESOS Options, the quantum of which is dependent on the actual number of ESOS Options exercised and the Option Price, are intended to be utilised for GTB Group's working capital requirements which include staff costs such as salaries and statutory contributions, employee benefits e.g. medical benefits as well as other day-to-day operating expenses such as utility charges. The proceeds to be utilised for each component of working capital are subject to GTB Group's operating requirements at the time of utilisation and therefore cannot be determined at this juncture. However, the Company expects to utilise the proceeds for the said working capital requirements within a period of 12 months, as and when the proceeds are received throughout the tenure of the Proposed ESOS.

Pending the utilisation of proceeds raised as and when the ESOS Options are exercised, such proceeds will be placed in deposits with licensed financial institutions or short-term money market instruments as the Board deems fit.

The estimated expenses associated with the implementation and administration of the Proposed ESOS is approximately RM100,000, which will be paid by GTB through internally generated funds.

2.2 Proposed Allocation

The Company proposes to seek the approval of the shareholders in accordance with the Listing Requirements and By-Laws, for the ESOS Committee to offer and/or grant to the executive Directors of the Company and persons connected to them who are Eligible Persons, the options to subscribe for such number of GTB Shares to be issued under the Proposed ESOS provided that not more than 10% of GTB Shares available under the Proposed ESOS at the point in time when the offer is made, should be allocated to any individual eligible person who, either singly or collectively through person connected (as defined in the Listing Requirements) to the Eligible Person, holds 20% or more of the share capital (excluding treasury shares) of the Company, subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws.

3. RATIONALE AND JUSTIFICATION FOR THE PROPOSALS

The implementation of the Proposed ESOS primarily serves to align the interests of the Eligible Persons to the corporate goals of GTB Group. The Proposed ESOS and Proposed Allocation will provide the Eligible Persons with an opportunity to have equity participation in the Company and help to achieve the objectives as set out below:

- (i) to recognise the contributions and/or services of the Eligible Persons who are considered vital to the operations and continued growth of GTB Group;
- (ii) to motivate the Eligible Persons towards better performance through greater productivity and loyalty;
- (iii) to stimulate a greater sense of belonging and dedication since Eligible Persons are given the opportunity to participate directly in the equity stake of the Company;
- (iv) to provide an incentive for the Eligible Persons to participate more actively in the operations of the Group and encourage them to contribute to the future growth of GTB Group; and
- (v) to reward Eligible Persons by allowing them to participate in the Company's profitability and eventually realise capital gains arising from any appreciation on the value of GTB Shares.

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4. EFFECTS OF THE PROPOSALS

The effects of the Proposals are set out below:

4.1 Issued share capital

The Proposed ESOS and Proposed Allocation are not expected to have an immediate effect on the existing issued share capital of the Company until such time when the ESOS Options to be granted under the Proposed ESOS are exercised. The issued share capital of the Company will increase progressively depending on the number of new GTB Shares to be allotted and issued arising from the exercise of the ESOS Options that may be granted under the Proposed ESOS.

As at the LPD, the Company does not hold any treasury shares. For illustrative purpose, the proforma effects of the Proposed ESOS on the issued share capital of the Company, based on the assumption that the number of ESOS Options granted amounts to 10% of the total number of issued shares of GTB as at the LPD, are set out below:

	No. of Shares	RM
Issued share capital as at the LPD	669,444,558	186,462,560
New GTB Shares to be issued arising from full exercise of the ESOS Options pursuant to the Proposed ESOS	66,944,454 ⁽¹⁾	120,500,017 ⁽²⁾
Enlarged issued share capital	736,389,012	306,962,577

Notes:

- (1) *For the avoidance of doubt, the maximum number of new GTB Shares, which may be allotted and issued pursuant to the Proposed ESOS shall not exceed in aggregate 10% of the total number of issued shares (excluding treasury shares) of the Company at any point in time during the tenure of the Proposed ESOS.*
- (2) *For illustrative purposes, calculated based on RM1.80, being approximately 10.00% discount to the 5-day VWAMP of GTB Shares up to and including the LPD of RM1.98 per GTB Share.*

4.2 NA per Share and gearing

The Proposed ESOS and Proposed Allocation are not expected to have an immediate effect on the NA and gearing of GTB Group until such time when the ESOS Options are granted and new GTB Shares are issued pursuant to the Proposed ESOS and Proposed Allocation. Any potential effect on the NA per Share and gearing of the Group will depend on, amongst others, the number of ESOS Options granted, the vesting conditions (if any), the number of Shares to be issued upon the exercise of the ESOS Options, the mode of settlement for the exercise of ESOS Options and the utilisation of proceeds from the exercise of the ESOS Options.

For illustrative purposes, upon exercise of the ESOS Options under the Proposed ESOS, the NA per Share of the Group is expected to:

- (i) increase if the Option Price is higher than the NA per Share of the Group; or
- (ii) decrease if the Option Price is lower than the NA per Share of the Group, at such point of exercise of the ESOS Options.

4.3 Earnings and EPS

The Proposed ESOS and Proposed Allocation are not expected to have any immediate material effect on the earnings of GTB Group. In accordance with the MFRS 2, the Proposed ESOS will result in a charge to the earnings of GTB Group over the period from the grant date to the vesting date of the ESOS Options, as the case may be.

The potential effects of the Proposed ESOS on the EPS of GTB Group in future, as a consequence of recognising the expenses in accordance with MFRS 2 cannot be determined at this juncture as it would depend on various factors that affect the fair value of the ESOS Options at the relevant point in time. It should be noted that such potential cost of granting the ESOS Options does not represent a cash outflow but only an accounting treatment.

For illustrative purposes, excluding the effects on the future earnings contribution to GTB Group and the potential cost of awarding the ESOS Options under MFRS 2, the Proposed ESOS will have a dilutive effect on GTB Group's EPS due to the increase in the number of Shares resulting from the issuance of new Shares arising from the exercise of ESOS Options pursuant to the Proposed ESOS.

The Board has taken note of the potential effect of the Proposed ESOS on GTB Group's earnings and will take into consideration such potential effects in managing the earnings impact in allocating and granting of the ESOS Options to the Eligible Persons.

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4.4 Substantial shareholders' shareholdings

The Proposed ESOS is not expected to have any immediate effect on the shareholdings of the substantial shareholders of GTB until and unless the new GTB Shares are issued pursuant to the exercise of ESOS Options. Any potential effect on the shareholdings of the substantial shareholders would depend on the number of new GTB Shares to be issued pursuant to the exercise of the ESOS Options at the relevant point in time.

The pro forma effects of the Proposals on the shareholdings of the substantial shareholders of GTB as at the LPD are as follows:

Substantial shareholders	Shareholdings as at the LPD		Assuming the maximum ESOS Options are granted, vested and exercised into new GTB Shares ⁽¹⁾			
	Direct	Indirect	Direct	Indirect	Direct	Indirect
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ng Kweng Chong	6,979,165	1.04	33,200,205 ⁽²⁾	4.96	6,979,165	0.95
Gooli Mei Hoon	2,843,866	0.42	33,200,205 ⁽²⁾	4.96	2,843,866	0.39
Ng Kweng Chong Holdings Sendirian Berhad	23,689,222	3.54	9,510,983 ⁽³⁾	1.42	23,689,222	3.22
General Produce Agency Sdn Berhad	47,787,618	7.14	9,510,983 ⁽³⁾	1.42	47,787,618	6.49
Employees Provident Fund Board (EPF)	95,451,195	14.26	-	-	95,451,195	12.96
Kumpulan Wang Persaraan (Diperbadankan) (KWAP)	5,808,166	0.87	29,349,966 ⁽⁴⁾	4.38	5,808,166	0.79
					33,200,205 ⁽²⁾	4.51
					33,200,205 ⁽²⁾	4.51
					9,510,983 ⁽³⁾	1.29
					9,510,983 ⁽³⁾	1.29
					-	-
					29,349,966 ⁽⁴⁾	3.99

Notes:

- (1) It is pertinent to note that the proforma effects above have not taken into consideration any ESOS Options that may be granted to Ng Kweng Chong who is an Eligible Person under the Proposed ESOS.
- (2) Deemed interested by virtue of Section 8 of the Act held through Ng Kweng Chong Holdings Sendirian Berhad, Wiserite Sdn Bhd and Glencare Sdn Bhd.
- (3) Deemed interested by virtue of Section 8 of the Act held through Wiserite Sdn Bhd and Glencare Sdn Bhd.
- (4) Deemed interested by virtue of Section 8 of the Act held through KWAP (Fund Manager).

4.5 Convertible securities

As at the LPD, the Company does not have any existing convertible securities.

4.6 Dividends

The Proposed ESOS and Proposed Allocation are not expected to have any material impact on the policy of the Board in recommending dividends, if any, to the shareholders of GTB for the current and future financial years. The levels of dividends to be declared for the future financial years would be determined by the Board after taking into consideration, amongst others, the performance of GTB Group and the prevailing economic conditions.

5. HISTORICAL SHARE PRICES

The monthly highest and lowest transacted market prices of GTB Shares for the past 12 months preceding the date of the Circular are as follows:

	High RM	Low RM
2019		
June	1.72	1.52
July	1.89	1.68
August	1.78	1.61
September	2.16	1.68
October	2.30	1.99
November	2.19	2.02
December	2.37	2.08
2020		
January	2.48	2.25
February	2.47	2.04
March	2.19	1.29
April	2.05	1.55
May	2.07	1.83

The last transacted price on 24 February 2020 (being the last trading day prior to the announcement of the Proposals) RM2.39

The last transacted price on 21 May 2020 (being the latest practicable date prior to printing of the Circular) RM1.98

(Source: Bloomberg)

6. APPROVALS REQUIRED

The Proposals are subject to the following approvals being obtained:

- (i) Bursa Securities for the listing and quotation of such number of additional new Shares, representing up to 10% of the total number of issued shares (excluding treasury shares), to be issued pursuant to the Proposed ESOS. Bursa Securities had vide its letter dated 6 March 2020, granted its approval for the listing and quotation of the new GTB Shares to be issued arising from the exercise of the ESOS Options under the Proposed ESOS on the Main Market of Bursa Securities, subject to the following conditions:

<u>Conditions</u>	<u>Status of compliance</u>
(a) RHB Investment Bank 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 shareholder in general meeting; and	To be complied
(b) GTB is required to furnish Bursa Securities on a quarterly basis a summary of the total number of Shares listed pursuant to the Proposed ESOS, as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied
(ii) the shareholders of GTB for the Proposals at the EGM to be convened; and	
(iii) the approval of any other relevant authorities, if required.	

7. INTER-CONDITIONALITY

The Proposed Allocation is conditional upon the Proposed ESOS.

The Proposed ESOS is not conditional upon the Proposed Allocation.

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

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

All the executive Directors of GTB are eligible to participate in the Proposed ESOS, and are therefore deemed interested in the Proposed ESOS by virtue of their eligibility for the ESOS Options to be allocated to them in their capacity as executive Directors. Accordingly, the executive Directors of GTB have declared their interests with respect to the Proposed ESOS, and the Board has deliberated and resolved to present the Proposed ESOS to the shareholders of the Company for their consideration and approval at an EGM to be convened.

As at the LPD, the shareholdings of the executive Directors in GTB are as follows:

	<u>Direct</u>		<u>Indirect</u>	
	<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>
Ng Kweng Chong	6,979,165	1.04	36,095,071 ^{(1) and (2)}	5.39
Dato' Heng Huck Lee	1,804,600	0.27	210,498 ⁽²⁾	0.03

Notes:

(1) Deemed interested by virtue of Section 8 of the Act held through Ng Kweng Chong Holdings Sendirian Berhad, Wiserite Sdn Bhd and Glencare Sdn Bhd.

(2) Deemed interested by virtue of Section 59(11)(c) of the Act held through family members.

Notwithstanding the above, the executive Directors have abstained and will continue to abstain from all deliberations and voting at all Board meetings in respect of the Proposed Allocation. The executive Directors will also abstain from voting at the EGM in respect of their direct and/or indirect shareholdings in GTB, if any, on the ordinary resolutions pertaining to their respective proposed allocation as well as to persons connected to them, if any, under the Proposed ESOS.

In addition, the executive Directors have undertaken to ensure that persons connected to them will abstain from voting at the EGM on their direct and/or indirect shareholdings in GTB, if any, on the ordinary resolutions pertaining to the Proposed Allocation under the Proposed ESOS.

9. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals (being subject matter of this Circular), the Board confirms that there are no other outstanding corporate exercises which have been announced but pending completion as at the LPD.

10. DIRECTORS' STATEMENT AND RECOMMENDATION

The executive Directors are eligible to participate in the Proposed ESOS. Given their interest, they have abstained from giving any opinion and making decisions on the respective Proposed Allocation under the Proposed ESOS to each of them and/or person(s) connected to them.

The Board (save for the executive Directors in respect of the proposed allocation to themselves as well as to persons connected to them), having considered all aspects of the Proposed ESOS and Proposed Allocation and after due deliberation, views that the Proposed ESOS and Proposed Allocation are in the best interest of GTB.

Accordingly, the Board recommends that you vote in favour of the resolution pertaining to the Proposed ESOS to be tabled at the forthcoming EGM of the Company. The Board (save for the executive Directors in respect of the Proposed Allocation), recommends that you vote in favour of the resolutions pertaining to the Proposed Allocation to be tabled at the forthcoming EGM of the Company.

11. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all required approvals being obtained from the relevant authorities and/or parties, the Board expects the Proposals to be established in the second half of calendar year 2020.

12. EGM

The EGM, the notice of which is enclosed in this Circular, is scheduled to be held at Ballroom 2, Lower Ground (LG) Level – Main Wing, Hotel Equatorial Penang, No. 1 Jalan Bukit Jambul, 11900 Bayan Lepas, Penang on Wednesday, 22 July 2020, at 11.00 a.m., or immediately following the conclusion or adjournment of the 23rd AGM of the Company, scheduled to be held at the same venue and on the same date at 10.30 a.m., whichever shall be later, for the purpose of considering and if thought fit, passing with or without modification, the ordinary resolutions to give effect to the Proposals .

If you are unable to attend and vote in person at the EGM, you are requested to complete and return the enclosed Proxy Form in accordance with the instruction provided thereon so as to arrive at the registered office of the Company at 51-21-A, Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Penang, not less than 48 hours before the time appointed for holding the meeting or adjournment thereof, or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll or any adjournment thereof. The lodgement of the Proxy Form does not preclude you from attending, participating, speaking and voting in person at the EGM should you subsequently wish to do so.

13. FURTHER INFORMATION

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

Yours faithfully,
For and on behalf of the Board of Directors of
GLOBETRONICS TECHNOLOGY BHD.

NG KWENG CHONG
FOUNDER AND EXECUTIVE CHAIRMAN

DRAFT BY-LAWS OF THE PROPOSED ESOS

BY-LAWS OF EMPLOYEES' SHARE OPTION SCHEME
1. NAME OF SCHEME

This scheme shall be called “**GTB’s Employees’ Share Option Scheme**” (“**Scheme**”).

2. DEFINITIONS AND INTERPRETATION

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

Act	:	Companies Act, 2016, as amended from time to time including any statutory modification or re-enactment thereof
Audit Committee	:	The Audit and Risk Management Committee of GTB
Board	:	The Board of Directors of GTB
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 may be modified, varied and/or amended from time to time) in accordance with the terms and conditions herein
CDS	:	Central Depository System
CDS Account	:	An account established by Bursa Depository for a depositor for the recording of deposits and withdrawal of securities and for dealings in such securities by a depositor
Central Depositories Act	:	The Securities Industry (Central Depositories) Act, 1991 as amended from time to time including all regulations made thereunder and any re-enactment thereof
Constitution	:	The Articles of Association / Constitution (as the case may be) of the Company, including any amendment thereto that may be made from time to time
Date of Acceptance	:	The date whereupon the ESOS Committee shall receive the written notice from an Eligible Person accepting an Offer
Date of Expiry	:	Last day of the duration of the Scheme or last day of any extended period pursuant to By-Law 19.2 (as the case may be)
Date of Offer	:	The date on which an Offer is made by the ESOS Committee to an Eligible Person in the manner provided in By-Law 6
Director	:	Director of GTB Group, within the meaning of Section 2(1) of the Capital Markets & Services Act 2007 as amended from time to time including any re-enactment thereof
GTB or the Company	:	Globetronics Technology Bhd (Registration No. 199601037932 (410285-W))

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

GTB Group or the Group	: The Company and its subsidiaries as defined in the Act, which are not dormant. Subject to the foregoing, subsidiaries include subsidiaries which are existing as at the Effective Date and subsidiaries which are incorporated or acquired at any time during the duration of the Scheme but exclude subsidiaries which have been divested in the manner provided in By-Law 17
Effective Date	: The date on which the Scheme comes into force as provided in By-Law 19.1
EGM	: Extraordinary General Meeting
Eligible Person(s)	: Any Employee or executive Director of GTB Group (excluding subsidiary companies which are dormant, if any) who meets the criteria of eligibility for participation in the ESOS as stipulated in By-Law 4
Employee	: A natural person who is employed by and on the payroll of any company in GTB Group
Entitlement Date	: The date as at the close of business on which shareholders' names must appear on GTB's Record of Depositors maintained at Bursa Depository and/or Register of Members in order to be entitled to any dividend, rights, allotment or other distributions
ESOS or Scheme	: The employees' share option scheme for the grant of Option(s) to Eligible Persons to subscribe for Shares in accordance with the provisions of the By-Laws and such scheme shall be known as the "GTB's Employees' Share Option Scheme"
ESOS Committee	: The committee appointed and authorised by the Board, with the responsibility of, amongst others, implementing, allocating and administering the Scheme, comprising such persons appointed from time to time by the Board
ESOS Option(s) or Option(s)	: The right of a Grantee to subscribe for Shares at the Option Price pursuant to the acceptance of an Offer by an Eligible Person in the manner provided in the By-Laws
Grantee	: Any Eligible Person who has accepted an Offer in the manner provided in By-Law 7
Listing Requirements	: The Main Market Listing Requirements of Bursa Securities including all amendments thereto and any Practice Notes issued in relation thereto
Market Day(s)	: A day on which Bursa Securities is open for trading in securities
Maximum Allowable Allotment	: The maximum number of Options that can be offered to an Eligible Person under the Scheme in the manner provided in By-Law 5
Offer(s)	: A written offer made by the ESOS Committee from time to time to an Eligible Person to participate in the Scheme in the manner provided in By-Law 6

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

Offer Period	:	The period stipulated in By-Law 6.4
Option Certificate	:	The certificate issued by the ESOS Committee confirming the grant and number of the Options to the Eligible Person, the Option Price, the number of Shares comprised in the Option, Option Period and any vesting conditions as specified in letter of offer
Option Period	:	The period commencing from the Date of Offer and expiring on the Date of Expiry or such other date as stipulated by the ESOS Committee in the Offer or upon the date of termination of the Scheme as provided in By-Law 19, whichever is the earlier
Option Price	:	The price at which a Grantee shall be entitled to subscribe for each Share from the Company upon the exercise of the Options, as initially determined and as may be adjusted pursuant thereto in accordance with the provisions of By-Law 10
Principal Adviser	:	A person who is eligible to act as a principal adviser under the Principal Adviser Guidelines issued by the Securities Commission Malaysia, as amended from time to time
Representative	:	A legal or personal representative(s) or heir(s)
Rules of Bursa Depository	:	The rules of Bursa Depository and any appendices thereto, as issued pursuant to the Central Depositories Act
RM and sen	:	Ringgit Malaysia and sen respectively
Share(s)	:	Ordinary share(s) in the Company

2.2 Headings are for ease of reference only and do not affect the meaning of a By-Law.

2.3 Any reference to statutory provisions shall include:

- (a) any subordinate legislation made from time to time under that provision and any Listing Requirements, policies, practice notes and/or guidelines of Bursa Securities and/or other relevant authorities (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, practice notes and/or guidelines are addressed to by Bursa Securities and/or the relevant authorities);
- (b) 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 Option(s) offered and accepted prior to the Date of Expiry and shall include also any past statutory provision (as from time to time modified or re-enacted) which such provision has directly or indirectly replaced.

2.4 Words importing the masculine gender shall include the feminine and neuter genders.

2.5 Words importing the singular number shall include the plural number and vice versa.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

- 2.6 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 PROVIDED ALWAYS if such date shall fall beyond the Date of Expiry, then the stipulated date shall be taken to be the preceding Market Day.
- 2.7 A "Day" or "Month" means a calendar day or a calendar month.
- 2.8 Any liberty or power which may be exercised or any decision or determination which may be made hereunder by the ESOS Committee shall be exercised in the ESOS Committee's absolute and unfettered discretion and the ESOS Committee shall not be under any obligation to give any reason therefor, except as may be required by the relevant authorities.
- 2.9 Any reference to the Company and/or other person shall include a reference to its successors-in-title and permitted assigns.
- 2.10 "Person connected" shall have the meaning as defined in Paragraph 1.01 of the Listing Requirements.

3. MAXIMUM NUMBER OF SHARES AVAILABLE UNDER THE SCHEME

- 3.1 The maximum number of Shares which may be made available under the Scheme shall not in aggregate exceed ten per cent (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 provided in By-Law 19.2.
- 3.2 Notwithstanding the provision of By-Law 3.1 and any other provision contained in these By-Laws, in the event the total number of issued shares of the Company (excluding treasury shares, if any) that may be made available under the Scheme exceeds ten per cent (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) as a result of the Company purchasing, cancelling and/or reducing its Shares in accordance with the provisions of the Act or the Company undertaking any corporate proposal and thereby diminishing the total number of issued shares of the Company, then such Options granted prior to the adjustment of the total number of issued Shares of the Company (excluding treasury shares, if any) shall remain valid and exercisable in accordance with the provisions of this Scheme. However, in such a situation, the ESOS Committee shall not make any further Offer until the total number of issued shares of the Company (excluding treasury shares, if any) under the subsisting Options, falls below ten per cent (10%) of the total number of issued shares of the Company (excluding treasury shares, if any).

4. ELIGIBILITY

- 4.1 Subject to the discretion of the ESOS Committee, only Eligible Persons who fulfil the following conditions shall be eligible to participate in the Scheme:
- (a) In respect of an Employee, the Employee must fulfil the following criteria as at the Date of Offer:
- (i) is at least eighteen (18) years of age, is a Malaysian Citizen and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

- (ii) is confirmed in writing as a full time Employee and has been in the employment of the Company or any company in the Group for at least 3 months of continuous service prior to and up to the Date of Offer and his employment must have been confirmed in writing on or prior to the Date of Offer, including service during the probation period;
 - (iii) if he is a contract worker on a full time basis serving under a contract of employment. For such contract workers, the contract of employment should be for a duration of at least one (1) year, unless otherwise decided by the ESOS Committee in its absolute discretion;
 - and
 - (iv) fulfills any other criteria and/or falls within such category as may be determined by the ESOS Committee at its sole discretion from time to time.
- (b) In respect of an executive Director, the executive Director must fulfil the following criteria as at the Date of Offer:
- (i) is at least eighteen (18) years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceeding;
 - (ii) has been appointed as an executive Director of the Company or any company in the Group for such period as may be determined by the ESOS Committee prior to and up to the Date of Offer; and
 - (iii) fulfills any other criteria and/or falls within such category as may be determined by the ESOS Committee at its sole discretion from time to time.

Notwithstanding the above, the ESOS Committee may, in its absolute discretion, waive any of the conditions of eligibility as set out in this By-Law 4.1. The eligibility and number of Options to be offered to an Eligible Person under the Scheme shall be at the sole and absolute discretion of the ESOS Committee and the decision of the ESOS Committee shall be final and binding.

In determining the eligibility of an Eligible Person to participate in the ESOS, the ESOS Committee may take into account amongst other factors, the performance, contribution, employment grade, seniority and/or length of service to the relevant corporation within GTB Group, and/or such other factors that the ESOS Committee may in its sole and absolute discretion deem fit.

- 4.2 The ESOS Committee may from time to time at its own discretion decide on certain performance targets to be achieved by the Grantee before the ESOS Options can be vested and exercised into Shares and such terms, if any, will be stipulated in the Offer(s).
- 4.3 Notwithstanding By-Law 4.1, the specific allotment to be made to any Eligible Person, who is a Director, major shareholder or chief executive of the Company (as defined under the Listing Requirements) or person connected with such Director, major shareholder or chief executive, shall not be eligible to participate in the ESOS unless their entitlements under the ESOS have been approved by the shareholders of GTB in a general meeting prior to the specific allocation of the ESOS Options by the ESOS Committee to any of them and they shall not participate in the deliberation and discussion of their own allocation.
- 4.4 Any Eligible Person who holds more than one (1) position within the GTB Group and by holding such positions, the Eligible Person is in more than one category, shall only be entitled to the Maximum Allowable Allotment of any one of those categories. The ESOS Committee shall be entitled at its discretion to determine the applicable category.
- 4.5 An Employee or executive Director of a dormant company within the Group is not eligible to participate in the Scheme.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

- 4.6 An Employee or executive Director who during the duration of the Scheme becomes an Eligible Person may, at the discretion of the ESOS Committee, be eligible to participate in the Scheme, subject to the Maximum Allowable Allotment.
- 4.7 Eligibility under the Scheme does not confer upon the Eligible Person a claim or right to participate in or any right whatsoever under the Scheme and an Eligible Person does not acquire or has any right over or in connection with the Options or Shares comprised therein unless the Offer has been made by the ESOS Committee to the Eligible Person and the Eligible Person has accepted the Offer in accordance with By- Law 7 hereof.
- 4.8 No ESOS Option(s) will be granted to any major shareholder who is an employee or director or chief executive of the Company or a person connected to a major shareholder or a director or chief executive of the Company, unless the Offer and grant of ESOS Option(s) to that employee or director or chief executive or such person connected shall have previously been approved by the shareholders of the Company in a general meeting. In the By-Laws, “persons connected” and “major shareholder” and “chief executive” shall respectively have the same meanings as defined in Paragraph 1.01 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. All major shareholder who is an employee of the Company or a person connected, shall abstain from voting on the resolution approving the said allocation.

5. BASIS OF ALLOTMENT AND MAXIMUM ALLOWABLE ALLOTMENT

- 5.1 Subject to By-Law 3 and any adjustment which may be made under By-Law 15, the number of Options to be allocated to an Eligible Person at any time in each Offer made pursuant to the Scheme shall be at the sole and absolute discretion of the ESOS Committee after taking into consideration, amongst other factors, the Eligible Person's designation, grade, length of service, work performance and/or such other factors as the ESOS Committee deems fit, and subject to the following conditions:
- (a) the total number of issued shares of the Company (excluding treasury shares, if any) that are made available under the Scheme shall not exceed the amount stipulated in By-Law 3.1;
 - (b) that not more than ten percent (10%) (or such other percentage as may be permitted by Bursa Securities or any other relevant regulatory authorities from time to time) of the total Shares to be issued and allotted under the Scheme are to be allocated to any Eligible Person who either singly or collectively through persons connected with him/her, holds twenty percent (20%) (or such other percentage as may be permitted by Bursa Securities or any other relevant regulatory authorities from time to time) or more of the issued shares of the Company (excluding treasury shares, if any);
 - (c) not more than fifty percent (50%) of the total number of issued shares of the Company (excluding treasury shares, if any) to be issued under the Scheme shall be allocated, in aggregate, to the executive Directors of the Group (excluding dormant subsidiaries within GTB Group);
 - (d) not more than seventy percent (70%) of the total number of issued shares of the Company (excluding treasury shares, if any) to be issued under the Scheme shall be allocated, in aggregate, to the executive directors and senior management of the Group (excluding dormant subsidiaries within GTB Group); and
 - (e) the executive Directors and senior management of the Group as well as persons connected with them, if any, shall not participate in the deliberation or discussion of their respective allocations,

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

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

- 5.2 The actual aggregate maximum allocation to the executive Directors of GTB Group and persons connected to them, and eligible employees of GTB Group, will be determined by the ESOS Committee at its absolute discretion and in consultation with the relevant advisers (if required) and in accordance with the By-Laws..
- 5.3 In the event that an Eligible Person is promoted, the Maximum Allowable Allotment applicable to such Eligible Person shall be the Maximum Allowable Allotment corresponding to the new category of employee of which he/she then is a party, subject always to the availability of the Options and maximum number of Shares available under the Scheme as stipulated under By-Law 3.1.
- 5.4 As part of the Company's annual audit, the Company shall have the discretion to appoint either an external auditor or internal auditor to verify that the allocation and vesting of ESOS Option(s) to the Eligible Person are in compliance with the criteria set out in the By-Laws and to table the same to the audit and risk management committee for verification.
- 5.5 The ESOS Committee may at its sole and absolute discretion determine whether the granting of the ESOS Options to the Eligible Person will be based on staggered granting over the duration of the Scheme or in one (1) single grant and/or whether the Options are subject to any vesting period and if so to determine the vesting conditions for the ESOS Options. The granting of the ESOS Options whether by staggered or single grant shall be as specified in the Offer.
- 5.6 In the event that any Eligible Person is a member of the ESOS Committee, such Eligible Person shall not participate in the deliberation or discussion of their own allocation of the Options or persons connected with them.
- 5.7 At the time the Offer is made, the ESOS Committee shall set out the basis of allotment, identifying the category or grade of the Eligible Person and the maximum number of Shares to the Eligible Person and the maximum number of Shares for each class or grade of employees and executive Directors from time to time applicable shall be clearly notified to the employees of GTB Group either by way of posting on a notice board in the offices of GTB Group or notification in writing to the employees.
- 5.8 Any Eligible Person who holds more than one position within GTB Group, and by holding such positions, the Eligible Person is in more than one category, shall only be entitled to the maximum number of Shares of any one of those categories. The ESOS Committee shall be entitled at its discretion to determine the applicable category.

6. OFFER

- 6.1 During the duration of the Scheme, the ESOS Committee may at its discretion at any time and from time to time make an Offer in writing to an Eligible Person, subject to the Eligible Person's Maximum Allowable Allotment. Each Offer shall be in multiples of and not 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. The Options shall only be accepted in multiples of and not be less than one hundred (100) Shares or such other units of Shares constituting one board lot as may be determined by the ESOS Committee.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

- 6.2 The ESOS Committee shall state the following particulars in the letter of Offer:
- (a) the number of Options that are being offered to the Eligible Person;
 - (b) the number of Shares which the Eligible Person shall be entitled to subscribe for upon the exercise of the Options being offered;
 - (c) the Date of Offer;
 - (d) the Option Period;
 - (e) the Option Price;
 - (f) the Offer Period;
 - (g) the closing date for acceptance of the Offer;
 - (h) the vesting conditions of the Options as determined by the ESOS Committee, if any;
 - (i) the manner and conditions of exercise of the Options; and
 - (j) any other information deemed necessary by the ESOS Committee.
- 6.3 Without prejudice to By-Law 20, in the event the letter of Offer contains an error on the part of the Company in stating any of the particulars in By-Law 6.2 above, the following provisions shall apply:
- (a) as soon as possible but in any event no later than one (1) month after discovery of the error, the ESOS Committee shall issue a supplemental letter of Offer, stating the correct particulars referred to in By-Law 6.3;
 - (b) in the event that the error relates to particulars other than the Option Price, the Option Price applicable in the supplemental letter of Offer shall remain as the Option Price as per the original letter of Offer; and
 - (c) in the event that the error relates to the Option Price, the Option Price in the supplemental letter of Offer shall be the Option Price applicable as at the date of the original letter of Offer, save and except with respect to any Option which have already been exercised as at the date of issue of the supplemental letter of Offer.
- 6.4 An Offer shall be valid for acceptance for a period of thirty (30) days from the Date of Offer or the closing date for acceptance of the Offer as stipulated in the letter of Offer, whichever is later or such longer period as may be determined by the ESOS Committee on a case-by-case basis at its sole and absolute discretion.
- 6.5 Subject to By-Law 5, nothing herein shall prevent the ESOS Committee from making more than one (1) Offer to an Eligible Person **PROVIDED THAT** the total aggregate number of Options offered to such Eligible Person during the duration of the Scheme shall not exceed the Maximum Allowable Allotment of such Eligible Person.
- 6.6 The actual number of Options that may be granted to an Eligible Person shall be at the sole and absolute discretion of the ESOS Committee and subject to any adjustment that may be made under By-Law 15.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

7. ACCEPTANCE

- 7.1 An Offer shall be accepted by an Eligible Person within the Offer Period by written notice to the Company accompanied by a payment to the Company of a nominal non-refundable consideration of Ringgit Malaysia One (RM1.00) only for the acceptance of the Options (regardless of the number of Shares comprised therein).
- 7.2 The day of receipt of such written notice shall constitute the Date of Acceptance.
- 7.3 If an Offer made to the Eligible Person is not accepted in the manner aforesaid within the Offer Period, the Offer shall automatically lapse and be null and void and be of no further force and effect. The Options comprised in such Offer may, at the discretion of the ESOS Committee, be re-offered to other Eligible Person.
- 7.4 The Company shall within thirty (30) days of the acceptance of the Offer by the Eligible Person, issue to the Eligible Person an Option Certificate in such form as may be determined by the ESOS Committee.
- 7.5 Notwithstanding By-Law 6.4, in the event of death or cessation of employment of the Eligible Person or the Eligible Person becomes a bankrupt, as the case may be, prior to the acceptance of the Offer made to the Eligible Person, such Offer shall automatically lapse and be null and void and shall not be capable of acceptance. The Options comprised in such Offer may, at the discretion of the ESOS Committee, be reoffered to other Eligible Person.
- 7.6 The Company shall keep and maintain a register of Grantees at its expense and shall enter in that register the names and addresses of the Grantees and such information as may be prescribed by the ESOS Committee.

8. NON-TRANSFERABILITY

- 8.1 An Option is personal to the Grantee and subject to the provisions of By-Laws 14.2 to 14.6, is exercisable only by the Grantee personally during his/her lifetime whilst he/she is in the employment of any company in the Group.
- 8.2 An Option shall not be transferred, assigned or otherwise disposed of by the Grantee save and except in the event of the death of the Grantee as provided under By-Law 14.6.

9. VESTING CONDITIONS AND EXERCISE OF OPTIONS

- 9.1 Subject to the provisions of By-Laws 9.12, 14.1, 16 and 17, an Option granted to a Grantee under the Scheme is exercisable only by that Grantee during his lifetime and whilst he/she is in the employment or appointment of the Group and within the Option Period (subject always to By-Law 9.2 and 9.8). All unexercised Options shall become null and void after the Date of Expiry.
- 9.2 The ESOS Committee may with its power under By-Law 20, at any time and from time to time, before and after the Options are granted, limit the exercise of the Options to a maximum number of Shares and/or such percentage of the total Shares comprised in the Options during such periods within the Option Period and impose other terms and/or conditions deemed appropriate by the ESOS Committee in its sole discretion.
- 9.3 The ESOS Committee shall, as and when it deems necessary, review and determine at its own discretion the vesting conditions specified in respect of the Offer. A Grantee shall be entitled to exercise the Options granted to him/her after the vesting conditions, if any, are fully and duly satisfied which includes amongst others, the following:
- (a) the Eligible Person must remain as an employee and shall not have given a notice to resign to the Company or receive a notice of termination from the Company as at the vesting date; and

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

- (b) any other conditions which are determined by the ESOS Committee.
- 9.4 If applicable, where the ESOS Committee has determined that the vesting conditions have been fully and duly satisfied, the ESOS Committee shall notify the Grantee the number of Options vested or which will be vested to him/her on the vesting date (“**Vesting Notice**”).
- 9.5 Subject to By-Law 4.1, the ESOS Committee shall have sole and absolute discretion to decide whether there are any performance targets to be achieved by the Grantee before the Options can be vested and exercised into Shares.
- 9.6 Where an Option is exercised only in part, the Option Certificate shall be endorsed by the ESOS Committee stating, *inter-alia*, the number of Shares which remain capable of being exercised.
- 9.7 A Grantee shall exercise the Options granted to him/her in multiples of 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 a Grantee’s balance of 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. Such partial exercise of an Option shall not preclude the Grantee from exercising the Option as to the balance of any new Option, if any, which he is entitled to subscribe under the Scheme.
- 9.8 Options which are exercisable in a particular year but are not exercised may be carried forward to subsequent years subject to the Option Period. Any Option which remain unexercised at the expiry of the Option Period shall be automatically terminated and lapse without any claim against the Company.
- 9.9 Subject to the discretion of the ESOS Committee, where a Grantee is serving under an employment contract, he/she may exercise any remaining unexercised Options within sixty (60) days before the expiry of the employment contract if the remaining duration of the employment contract from the date on which the Options are granted is less than the Option Period.
- 9.10 A Grantee shall exercise his Options by notice in writing to the Company in such form as the ESOS Committee may prescribe or approve (“**Notice of Exercise**”). The procedure for the exercise of Options to be complied with by a Grantee shall be determined by the ESOS Committee from time to time.
- 9.11 Every Notice of Exercise shall state the number of Shares an Eligible Person intends to subscribe and shall be accompanied by the relevant Option Certificate and the relevant evidence of remittance for the full amount of the subscription monies payable in respect thereof **PROVIDED THAT** the number of Shares stated therein shall not exceed the amount exercisable by such Eligible Person.
- 9.12 The Grantee shall state his CDS Account in the Notice of Exercise. Within eight (8) Market Days (or such other period as may be prescribed by Bursa Securities and subject to the Constitution) after the receipt of the complete and valid Notice of Exercise together with the remittance from the Grantee and subject to the provisions of the Listing Requirements, the Central Depositories Act, the Rules of Bursa Depository and the Constitution, the Company shall issue/transfer the relevant number of Shares and despatch a notice of allotment to the Grantee. The said Shares will be credited directly into the CDS Account of the Grantee. No physical certificates will be issued. For Grantees who do not have CDS Account, such Grantees are required to open a CDS Account at their own expense before they can exercise their Options.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

- 9.13 Any failure to comply with the procedures specified by the ESOS Committee or to provide information as required by the Company in the Notice of Exercise or inaccuracy in the CDS Account number provided shall result in the Notice of Exercise being rejected at the discretion of the ESOS Committee. The ESOS Committee shall inform the Grantee of the rejection of the Notice of Exercise within ten (10) Market Days from the date of rejection and the Grantee shall then be deemed not to have exercised his/her Option.
- 9.14 Notwithstanding anything contrary herein contained in these By-Laws, the ESOS Committee shall have the right, at its absolute discretion by notice in writing to that effect, to suspend the right of any Grantee who is being subjected to disciplinary proceedings (whether or not such disciplinary proceedings may give rise to a dismissal or termination of service of such Grantee or are found to have had no basis or justification) to exercise his/her Options pending the outcome of such disciplinary proceedings. In addition to this right of suspension, the ESOS Committee may impose such terms and conditions as the ESOS Committee shall deem appropriate at its sole and absolute discretion, on the Grantee's right to exercise his/her Options 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 ESOS Committee shall reinstate the right of such Grantee to exercise his/her Options;
 - (b) in the event the disciplinary proceedings result in a recommendation for the dismissal or termination of service of such Grantee, all unexercised and partially exercised Options of the Grantee shall immediately lapse and be null and void and of no further force and effect, without notice to the Grantee, upon pronouncement of the dismissal or termination of service of such Grantee notwithstanding that such recommendation, dismissal and/or termination of service may be subsequently challenged or disputed by the Grantee in any other forum;
 - (c) in the event the Grantee is found guilty but no dismissal or termination of service is recommended, the ESOS Committee shall have the right to determine at its absolute discretion whether or not the Grantee may continue to exercise his/her Options or any part thereof and if so, to impose such terms and conditions as it deems appropriate, on such exercise rights; and
 - (d) in the event that no decision is made or disciplinary proceedings are not concluded prior to the expiry of the Option Period, the Option of such Grantee shall immediately lapse on the expiry of the Option Period without notice, and nothing herein shall impose any obligation on the ESOS Committee to enquire into or investigate the substantiveness or validity of such disciplinary proceeding(s) and the ESOS Committee shall not under any circumstances be held liable for any cost, loss, expense, damage or liability, gain or profit foregone, arising from the ESOS Committee's exercise of or failure to exercise any of its rights under this By-Laws.
- 9.15 Every Option shall be subject to the condition that no Shares shall be issued to the Grantee pursuant to the exercise of an Option if such an issue would be contrary to any law, enactment, rules and/or regulations of any legislative or non-legislative body which may be in force during the Option Period or such period as may be extended.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

9.16 The Group, the Board (including Directors who have resigned but were on the Board during the Option Period) and the ESOS Committee shall not under any circumstances be held liable to the Grantee or his/her 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 any delay on the part of the Company in allotting and issuing the Shares or in procuring Bursa Securities to list and quote the Shares subscribed for by the Grantee or any delay in receipt or non-receipt by the Company of the notice to exercise the Options or for any error in any Offer.

10. OPTION PRICE

10.1 Subject to any adjustment in accordance with By-Law 15 and pursuant to the Listing Requirements, the Option Price shall be a price to be determined by the Board upon recommendation of the ESOS Committee based on the five (5)-day volume weighted average market price of the Shares immediately preceding the Date of Offer with a discount of not more than ten percent (10%) during the duration of the Scheme.

10.2 The Option Price as determined by the Board on the recommendation of the ESOS Committee shall be conclusive and binding on the Grantees.

11. RIGHTS OF A GRANTEE

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

11.2 The Shares, which are issued/transferred and credited into the Grantee's CDS account upon the exercise of the ESOS Options, would carry rights to vote at any general meeting of the Company, if the Grantee is registered on the Register of Depositors on the entitlement date as at the close of business to be entitled to attend and vote at the general meeting.

11.3 A Grantee shall not be entitled to any dividend, rights and/or other distributions on his/her unexercised Options.

12. RANKING OF THE SHARES PURSUANT TO THE EXERCISE OF THE ESOS OPTIONS

12.1 The Shares to be issued to the Grantee pursuant to the exercise of the Options shall, upon allotment and issuance, rank equally in all respects with the then existing Shares, save and except that they will not be entitled to any dividend, right, allotment and/or other forms of distribution that may be declared, made or paid, where the entitlement date of which is prior to the allotment date of the new Shares to be issued pursuant to the exercise of the Options and will be subject to all the provisions of the Constitution of the Company and the Listing Requirements relating to transfer, transmission and otherwise of the Shares.

12.2 The Shares under the Scheme will be subject to the provisions of the Constitution relating to transfer, transmission or otherwise of the Shares. The Grantees will not be entitled to any voting right or participation in any form of distribution and/or offer of further securities in GTB until and unless such Grantees exercise their ESOS Options into Shares and such Shares are credited into the Grantees' respective CDS Account.

13. RETENTION PERIOD

The Shares issued and/or transferred to a Grantee pursuant to the exercise of the Options will not be subjected to any retention period or restriction on transfer. However, the Grantees are encouraged to hold the Shares as a long-term investment and not for any speculative and/or realisation to yield a profit. Notwithstanding the foregoing, the ESOS Committee shall be entitled to prescribe or impose, in relation to any Offer, any condition relating to any retention period or restriction on transfer as it sees fit.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

14. TERMINATION OF OPTIONS

- 14.1 In the event of the cessation or termination of employment of a Grantee with the Group for whatever reason prior to the full exercise of his Option, such Option or the balance thereof, as the case may be, shall forthwith cease to be valid without any claim against the Company, the Board or the ESOS Committee PROVIDED ALWAYS that:
- (a) if a Grantee retires from service on attaining the normal retirement age under the Group's retirement policy; or
 - (b) if a Grantee ceases to be employed by the Group on grounds of ill-health, injury or disability or if he is retrenched in a redundancy exercise (provided always that any such retrenchment or termination of the Grantee's employment is not due to or on grounds of conduct inconsistent with the expressed or implied conditions of service of the Grantee); or
 - (c) if a Grantee ceases employment with the Group in any other circumstances which are acceptable to the ESOS Committee,
- the Grantee may be allowed to exercise the unexercised Option within a time frame from the Grantee's cessation or termination of employment as the ESOS Committee may in its sole and absolute discretion decides.
- 14.2 If a Grantee dies, the legal personal representative(s) of the Grantee may also be permitted, at the sole and absolute discretion of the ESOS Committee, to exercise the unexercised Option within a time frame from the Grantee's death as the ESOS Committee may allow.
- 14.3 In the event of the bankruptcy of the Grantee, the Option shall be automatically terminated on the date a receiving order is made against the Grantee by a court of competent jurisdiction.
- 14.4 Save as otherwise provided in By-Laws 14.1 and 14.2 above, an Option shall lapse forthwith upon the resignation or termination of the Grantee from his employment with the Group and the Shares comprised in such Option or the balance thereof not subscribed for may, at the discretion of the ESOS Committee, be re-offered to other Eligible Person.
- 14.5 In the event of the liquidation of the Company where a provisional liquidator has been appointed, all unexercised or partially exercised Options shall lapse.
- 14.6 All outstanding Options shall be automatically terminated and be of no further force and effect in the event that a resolution is passed or a court order is made for the winding up of the Company commencing from the date of such resolution or the date of the court order. In the event a petition is presented in court for the winding-up or liquidation of the Company, all rights to exercise the Options shall automatically be suspended from the date of the presentation of the petition. Conversely, if the petition for winding-up is dismissed by the court, the right to exercise the Options shall accordingly be reinstated.
- 14.7 Upon the termination of the Options pursuant to By-Law 14 herein, the Grantee shall have no right to compensation or damages or any claim against the Company from any loss of any right or benefit or prospective right or benefit under the Scheme which he/she might otherwise have enjoyed, whether for wrongful dismissal or breach of contract or loss of office or otherwise howsoever arising from his/her ceasing to hold office or employment or from the suspension of his/her right to exercise his/her Options or his/her Options ceasing to be valid.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

15. ALTERATION OF SHARE CAPITAL AND ADJUSTMENT

15.1 Subject to By-Law 15.4 hereof, in the event of any alteration in the capital structure of the Company during the Option Period, whether by way of a rights issue, bonus issue or other capitalisation issue, consolidation or subdivision of Shares or reduction of capital or any other variation of capital shall take place or if the Company shall make a capital distribution during the duration of the Scheme, the Company shall cause such adjustment to be made to:

- (a) the Option Price;
- (b) the number of ESOS Options granted to each Grantee (excluding the ESOS Options already exercised); and/or
- (c) the number of Shares and/or Option Price comprised in the Offer which is open for acceptance during the Offer Period (if such Offer is subsequently accepted in accordance with the terms and conditions of the Offer and these By-Laws),

to ensure that the capital outlay to be incurred by a Grantee in subscribing for the same proportion of Shares to which the Grantee was entitled prior to the event giving rise to such adjustments (i.e. not taking into account the ESOS Options already exercised) shall remain unaffected.

Any adjustment (other than an adjustment pursuant to a bonus issue, subdivision or consolidation of Shares) must be confirmed in writing by the external auditors or the Principal Adviser of the Company.

15.2 The following provisions shall apply in relation to an adjustment which is made pursuant to By-Law 15.1:

- (a) any adjustment to the Option Price shall be rounded up to the nearest one (1) sen; and
- (b) in determining a Grantee's entitlement to subscribe for Shares, any fractional entitlement will be disregarded.

15.3 Subject to By-Law 15.2, the Option Price and/or the number of Options granted to each Grantee so far unexercised shall from time to time be adjusted, calculated and determined by the ESOS Committee in accordance with the following relevant provisions in consultation with the external auditors or the Principal Adviser of the Company:

(a) Consolidation or subdivision

If and whenever a Share by reason of any consolidation or subdivision, the Option Price and/or the additional number of Options shall be adjusted, calculated or determined in the following manner:

$$\text{New Option Price} = \text{EP} \times \left(\frac{\text{Total number of issued shares before the consolidation or subdivision}}{\text{Total number of issued shares after the consolidation or subdivision}} \right)$$

$$\text{Additional number of Options} = \text{T} \times \left(\frac{\text{Total number of issued shares after the consolidation or subdivision}}{\text{Total number of issued shares before the consolidation or subdivision}} \right) - \text{T}$$

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

Where:

EP = Existing Option Price; and

T = existing number of Options held.

Such adjustment will be effective from the close of business on the Market Day immediately following the Entitlement Date on which the consolidation or subdivision becomes effective (being the date when the Shares are traded on Bursa Securities), or such other period as may be prescribed by Bursa Securities.

(b) Capitalisation of profits/reserves

If and whenever the Company shall make any issue of new Shares to ordinary shareholders by way of bonus issue or capitalisation of profits or reserves of the Company (whether of a capital or income nature and including any capital redemption reserve fund), the Option Price shall be adjusted by multiplying it by the following fraction:

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

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

$$\left[T \times \left(\frac{A+B}{A} \right) - T \right]$$

Where:

A = the aggregate number of issued shares of the Company 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 of the Company by way of bonus issue or capitalisation of profits or reserves of the Company (whether of a capital or income nature and including any capital redemption reserve fund); 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.

(c) If and whenever the Company shall make:

(i) Capital Distribution

a Capital Distribution (as defined below) to ordinary shareholders whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or

(ii) Rights issue of Shares

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

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

(iii) Rights issue of convertible securities

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

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

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

and in respect of the case referred to in By-Law 15.3(c)(ii) hereof, the number of additional Options to be issued shall be calculated as follows:

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

Where:

T = as T 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 Capital Distribution or, as the case may be, of the offer or invitation; and

D = (aa) in the case of an offer or invitation to acquire or subscribe for new Shares under By-Law 15.3(c)(ii) above or for securities convertible into Shares or securities with rights to acquire or subscribe for new Shares under By-Law 15.3(c)(iii) above, the value of rights attributable to one (1) existing Share (as defined below); or

(bb) in the case of any other transaction falling within By-Law 15.3(c) hereof, the fair market value as determined by the Principal Adviser of the Company (with the concurrence of the external auditor) of that portion of the Capital Distribution attributable to one (1) existing Share.

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

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

Where:

C = as C above;

E = the subscription price for one (1) additional Share under the terms of such offer or invitation or one (1) additional security convertible into Shares or one (1) additional security with rights to acquire or subscribe for Shares;

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

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

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

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

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

Where:

C = as C above;

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

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

For the purpose of By-Law 15.3(c) hereof, “**Capital Distribution**” shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of new Shares (not falling under By-Law 15.3(b) hereof) or other securities by way of capitalisation of profits or reserves of the Company (whether of a capital or income nature and including any capital redemption reserve fund).

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

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

(d) **Capitalisation of profits/reserves and rights issue of Shares/convertible securities**

If and whenever the Company makes any allotment to its ordinary shareholders as provided in By-Law 15.3(b) above and also makes any offer or invitation to its ordinary shareholders as provided in By-Law 15.3(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 Option Price shall be adjusted by multiplying it by the following fraction:

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

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

and where the Company makes any allotment to its ordinary shareholders as provided in By-Law 15.3(b) above and also makes any offer or invitation to its ordinary shareholders as provided in By-Law 15.3(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 number of additional Options to be issued shall be calculated as follows:

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

Where:

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

Unless otherwise as may be prescribed by Bursa Securities, 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) Rights issue of Shares and rights issue of convertible securities

If and whenever the Company makes any offer or invitation to its ordinary shareholders to acquire or subscribe for new Shares as provided in By-Law 15.3(c)(ii) above together with an offer or invitation to acquire or subscribe for securities convertible into new Shares or securities with rights to acquire or subscribe for new Shares as provided in By-Law 15.3(c)(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 Option Price shall be adjusted by multiplying it by the following fraction:

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

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

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

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

Where:

- C = as C in By-Law 15.3(c) above;
- G = as G above;
- H* = as H* above;
- I = as I above;
- I* = as I* above;
- J = the aggregate number of new Shares to be issued to its ordinary shareholders upon conversion of such securities or exercise of such rights to subscribe for new 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 such issue.

(f) Capitalisation of profits/reserve, rights issue of Shares and rights issue of convertible securities

If and whenever the Company makes an allotment to its ordinary shareholders as provided in By-Law 15.3(b) above and also makes an offer or invitation to acquire or subscribe for Shares to its ordinary shareholders as provided in By-Law 15.3(c)(ii) above, together with rights to acquire or subscribe for securities convertible into new Shares or with rights to acquire or subscribe for Shares as provided in By-Law 15.3(c)(iii) above, and the Entitlement Date for the purpose of allotment is also the Entitlement Date for the purpose of the offer or invitation, the Option Price shall be adjusted by multiplying it by the following fraction:

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

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

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

Where:

- B = as B above;
- C = as C above;
- G = as G above;

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

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 of the next Market Day immediately following the Entitlement Date for such issue.

(g) Others

If and whenever (otherwise than pursuant to a rights issue available to all ordinary shareholders and requiring an adjustment under By-Laws 15.3(c)(ii), 15.3(c)(iii), 15.3(d), 15.3(e) or 15.3(f) above) the Company shall issue either new Shares or any security convertible into new Shares or with rights to acquire or subscribe for new Shares, and in any such case, the Total Effective Consideration per Share (as defined below) is less than ninety percent (90%) of the Average Price for one (1) Share (as defined below) or, as the case may be, the price at which the Shares will be issued upon conversion of such securities or exercise of such rights is determined, the Option Price shall be adjusted by multiplying it by the following fraction:

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

Where:

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

For the purpose of By-Law 15.3(g), “**Total Effective Consideration**” shall be determined by the ESOS Committee with the concurrence of the external auditor and shall be:

- (i) in case of the issue of new 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

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

- (iii) in the case of the issue by the Company of securities with rights to acquire or subscribe for new Shares, the aggregate consideration attributable to the issue of such rights together with the total amount receivable by the Company upon full exercise of such rights;

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

For the purpose of By-Law 15.3(g), “**Average Price**” of a Share shall be the average market price of one (1) Share as derived from the last traded prices for one or more board lots of Shares as quoted on Bursa Securities on the Market Days comprised in the period used as a basis upon which the issue price of such Shares is determined.

Such adjustment will be calculated (if appropriate, retroactively) from the close of business on Bursa Securities on the next Market Day immediately following the date on which the issue is announced, or (failing any such announcement) on the next Market Day immediately following the date on which the Company determines the subscription price of such Shares. 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 By-Laws 15.3(c), (d), (e) and (f), the current market price in relation to one (1) existing Share for any relevant day shall be the average of the last traded prices for the five (5) consecutive Market Days before such date or during such other period as may be determined in accordance with any guideline issued, from time to time, by the relevant authorities.
- (i) Such adjustments (other than adjustments due to a bonus issue, subdivision or consolidation of Shares) must be confirmed in writing by the external auditors of the Company for the time being (acting as experts and not as arbitrators), upon reference to them by the ESOS Committee, to be in their opinion, fair and reasonable, **PROVIDED ALWAYS THAT:**
 - (a) any adjustment to the Option Price shall be rounded up to the nearest one (1) sen;
 - (b) in the event that a fraction of a new Share arising from the adjustment referred to in these By-Laws would otherwise be required to be issued upon the exercise of an Option by the Grantee, the Grantee’s entitlement shall be rounded down to the nearest whole number;
 - (c) upon any adjustment being made pursuant to these By-Laws, the ESOS Committee shall, within thirty (30) calendar days of the effective date of the alteration in the capital structure of the Company, notify the Grantee (or his/her Representative where applicable) in writing informing him of the adjusted Option Price thereafter in effect and/or the revised number of Options to be issued; and
 - (d) any adjustment made must be in compliance with the provisions for adjustment as provided in these By-Laws.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

Notwithstanding the foregoing, any adjustment to the Option Price and/or the number of Options to be issued so far as unexercised arising from bonus issues, need not be confirmed in writing by the external auditors of the Company.

- 15.4 The provisions of this By-Law 15 shall not be applicable where an alteration in the capital structure of the Company arises from any of the following:
- (a) an issue of Shares pursuant to the exercise of Options 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 pursuant to a private placement (including an issuance of securities pursuant to Sections 75(1) and 76(1) of the Act); or
 - (d) an issue of securities pursuant to a special issue to Bumiputera parties or investors nominated by the Ministry of International Trade and Industry and/or other government authority to comply with the government's policy on Bumiputera capital participation; or
 - (e) a restricted issue of securities; or
 - (f) an issue of new Shares arising from the exercise of any conversion rights attached to securities convertible into new Shares or upon exercise of any other rights including warrants, convertible loan stocks and any other instruments (if any) issued by the Company; or
 - (g) a purchase by the Company of its own Shares and cancellation of all or a portion of such Shares purchased pursuant to Section 127 of the Act; or
 - (h) an issue of further ESOS Options to Eligible Persons pursuant to adjustments made under By-Law 15.
- 15.5 In the event that the Company enters into any scheme of arrangement or reconstruction pursuant to the Act, By-Law 15.1 shall be applicable in respect of such part(s) of the scheme which involve(s) any alteration(s) in the capital structure of the Company to which By-Law 15.1 is applicable, but By-Law 15.1 shall not be applicable in respect of such part(s) of the scheme which involve(s) any alteration(s) in the capital structure of the Company to which By-Law 15.1 is not applicable as described in By-Law 15.4.
- 15.6 An adjustment pursuant to By-Law 15.1 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 the consolidation or subdivision or capital reduction becomes effective (being the date when the Shares are traded on Bursa Securities thereafter), or such period as may be prescribed by Bursa Securities.

Upon any adjustment being made, the ESOS Committee shall give notice in writing within thirty (30) days from the date of adjustment to the Grantee, or his/her Representative, to inform him/her of the adjustment and the event giving rise thereto.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

15.7 Notwithstanding the provisions referred to in this By-Law, the ESOS Committee may exercise its discretion to determine whether any adjustment to the Option Price and/or the number of Options to be issued be calculated on a different basis or date or should take effect on a different date or that such adjustments be made to the Option Price and/or the number of Options to be issued notwithstanding that no such adjustment formula has been explicitly set out in these By-Laws provided that the adjustment is in compliance with the Listing Requirements and Act (if any) and not detrimental to the Grantee.

16. TAKE-OVERS AND MERGERS, SCHEMES OF ARRANGEMENT, AMALGAMATIONS AND RECONSTRUCTIONS

16.1 In the event of:

- (a) A take-over offer being made, under the Rules on Take-Overs, Mergers and Compulsory Acquisitions 2016 (or any replacement thereof), to acquire the whole of the issued share capital of the Company (or such part thereof not at the time held by the person making the take-over ("**Offeror**") or any person acting in concert with the Offeror), a Grantee will be entitled within such period to be determined by the ESOS Committee, to exercise all or any part of his/her Options and the Directors of GTB shall use their best endeavours to procure that such a general offer be extended to the Shares that may be issued pursuant to the exercise of the Options under this By-Law; or
- (b) The Offeror becoming entitled or bound to exercise the right of compulsory acquisition of Shares under the provisions of any applicable statutes, rules and/or regulations and gives notice to the Grantee that it intends so to exercise such rights on a specific date ("**Specified Date**"), a Grantee will be entitled to exercise all or any part of his/her Options from the date of service of the said notice to the Company until the expiry of the Specified Date.

In the foregoing circumstances, if the Grantee fails to exercise his/her Options or elects to exercise only in respect of a portion of such Shares, then any Option to the extent unexercised by the expiry of the periods stipulated in the aforesaid circumstances shall automatically lapse and be null and void.

16.2 Notwithstanding the provisions of By-Law 9 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 purpose of, or in connection with, a scheme of arrangement and reconstruction of the Company under the Act or its amalgamation with any other company or companies under the Act or the Company decided to merge with other company or companies, the ESOS Committee may at its absolute discretion decide whether a Grantee may be entitled to exercise all or any part of his/her Options which remains unexercised 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 Option shall be exercised after the expiry of the Option Period. Upon the compromise or arrangement becoming effective, all unexercised Options shall automatically lapse and shall become null and void and of no further force and effect.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

17. DIVESTMENT FROM AND TRANSFER TO/FROM THE GROUP

17.1 If a Grantee is in the employment of a company within the Group and such company is subsequently divested, wholly or in part, from the Group:

- (a) then the ESOS Committee will have the right to determine at its discretion whether or not the Grantee will be entitled to continue to hold and to exercise all the unexercised or partially exercised Options which were granted to him/her under the Scheme within a period which will be decided by the ESOS Committee, failing which the right of such Grantee to subscribe for that number of Shares or any part thereof granted under such unexercised or partially exercised ESOS Option(s) shall automatically lapse and be null and void and of no further force and effect upon the expiry of the relevant period; and
- (b) the Grantee shall no longer be eligible to participate for further Options under the Scheme as from the date of completion of such divestment.

17.2 For the purposes of By-Law 17.1, a company shall be deemed to be divested from the Group or disposed of from the Group in the event that the effective interest of the Company in such company is reduced from above fifty percent (50%) to fifty percent (50%) or below so that such company would no longer be a subsidiary of the Company pursuant to the Act (other than pursuant to a takeover, scheme of arrangement, amalgamation, reconstruction, merger or otherwise as provided under the By-Law 16).

17.3 In the event that:

- (a) an employee who was employed in a company which is related to the Company pursuant to the Act (that is to say, a company which does not fall within the definition of "the Group") and is subsequently transferred from such company to any company within the Group; or
- (b) an employee who was in the employment of a company which subsequently becomes a member of the Group as a result of a restructuring or acquisition exercise or otherwise involving the Company and/or any company within the Group with any of the first mentioned company stated in (a) above,

(the first abovementioned company in (a) and (b) herein referred to as the "**Previous Company**"), such an employee of the Previous Company will be eligible to participate in this Scheme for the remaining Option Period, if the affected employee becomes an "Eligible Person" within the meaning under these By-Laws.

For the avoidance of doubt, in the event of any acquisition or incorporation of any company into the Group pursuant to part (b) above as a subsidiary as defined in the Act or any other statutory regulation in place thereof during the tenure of the Scheme, the Scheme shall apply to the employees of such company on the date of 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 By-Law 1 and the provisions of these By-Laws shall apply.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

18. WINDING UP

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

19. DURATION AND TERMINATION OF SCHEME

19.1 The Effective Date for the implementation of the Scheme shall be at the date of full compliance with all relevant requirements in the Listing Requirements, including the following:

- (a) submission of the final copy of the By-Laws to Bursa Securities together with a letter of compliance pursuant to Rule 2.12 of the Listing Requirements and a checklist showing compliance with Appendix 6E of the Listing Requirements;
- (b) receipt of the approval or approval-in-principle from Bursa Securities for the listing of and quotation for the new Shares to be issued pursuant to the exercise of Options granted under the Scheme;
- (c) procurement of the approval of the shareholders of the Company for the Scheme in a general meeting;
- (d) receipt of the approval of any other relevant authorities whose approvals are necessary in respect of the Scheme; and
- (e) fulfilment or waiver (as the case may be) of all conditions attached to any of the abovementioned approvals, if any.

The Principal Adviser of the Company shall submit a confirmation letter to Bursa Securities of the full compliance with the relevant requirements of the Listing Requirements stating the Effective Date of implementation of the Scheme together with a certified true copy of the relevant resolution passed by the shareholders of the Company in a general meeting. The confirmation letter shall be submitted to Bursa Securities no later than five (5) Market Days after the Effective Date.

19.2 The Scheme, when implemented, shall be in force for a period of five (5) years from the Effective Date. The Company may, if the Board deems fit and upon the recommendation of the ESOS Committee, extend the Scheme for another period of up to a maximum of five (5) years in aggregate, commencing from the day after the date of expiration of the original five (5) years period ("**Date of Expiry**"). Such extended Scheme shall be implemented in accordance with the terms of these By-Laws, save for any amendment and/or change to the relevant statutes and/or regulations then in force. Unless otherwise required by the relevant authorities, no further approvals shall be required for the extension of the Scheme. In the event the Scheme is extended, the Company shall serve appropriate notices on each Grantee within 30 days prior to the Date of Expiry.

19.3 Offer can only be made during the duration of the Scheme and before 5:00 p.m. on the Date of Expiry.

19.4 Notwithstanding anything to the contrary, all unexercised Options shall lapse at 5:00 p.m. on the Date of Expiry.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

- 19.5 Subject to compliance with the requirements of Bursa Securities and any other relevant authorities, the Scheme may be terminated by the ESOS Committee at any time before the Date of Expiry without obtaining the approvals from the Grantees or the Company's shareholders **PROVIDED THAT** the Company releases an announcement to Bursa Securities on the following:
- (a) the effective date of termination ("**Termination Date**");
 - (b) the number of Options exercised or Shares vested; and
 - (c) the reasons and justification for termination.
- Notwithstanding anything to the contrary, all unexercised Options shall lapse on the Date of Expiry.
- 19.6 In the event of termination as stipulated in By-Law 19.5 above, the following provisions shall apply:
- (a) no further Offer shall be made by the ESOS Committee from the Termination Date;
 - (b) all Offers which have yet to be accepted by Eligible Persons shall automatically lapse on the Termination Date; and
 - (c) all outstanding Options which have yet to be exercised by Grantees shall be deemed cancelled and be null and void.
- 19.7 Subject to the requirements under the Listing Requirements, approval or consent of the shareholders of the Company by way of a resolution in a general meeting and written consent of Grantees who have yet to exercise their Options are not required to effect a termination of the Scheme.

20. ADMINISTRATION

- 20.1 The Scheme shall be administered by the ESOS Committee, as appointed by the Board. The ESOS 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 ESOS Committee shall be final and binding.
- 20.2 Without limiting the generality of By-Law 20.1, the ESOS Committee may, for the purpose of administering the Scheme, do all acts and things, 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 including the powers to:
- (a) subject to the provisions of the Scheme, construe and interpret the Scheme and Options 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 defect, supply any omission, or reconcile any inconsistency in the Scheme or in any agreement providing for an Option in a manner and to the extent it shall deem necessary to expedite and make the Scheme fully effective; and
 - (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 or expedient to promote the best interests of the Company.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

- 20.3 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 ESOS Committee as it shall deem fit.
- 20.4 The ESOS Committee shall comprise of Board member(s) and/or senior management of the Group.

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

- 21.1 Subject to By-Law 21.2, the approvals of any relevant regulatory authorities (if required), and compliance with the Listing Requirements, the ESOS Committee may at any time and from time to time recommend to the Board any addition, modification or amendment to or deletion of the By-Laws as it shall at its sole discretion deem fit and the Board shall have the power at any time and from time to time by resolution to add to, amend, modify and/or delete all or any part of the provisions of the Scheme and these By-Laws provided that no such amendment and/or modification shall be made which would either prejudice the rights then accrued to any Grantee who has accepted an ESOS Option(s) without his prior consent or alter the provisions of the ESOS Scheme to the advantage of any Grantee, without the prior approval of the shareholders of the Company in general meeting. The approval of the shareholders of the Company in general meeting shall not be required in respect of additions or amendments to or deletions of these By-Laws provided that no addition, amendment or deletion shall be made to these By-Laws (including matters specified in the Listing Requirements to be contained in the By-Laws or such other matters as may be determined by Bursa Securities from time to time), which would render the rights of any Grantee more favourable.
- 21.2 Subject to By-Law 21.3, the approval of the shareholders of the Company in general meeting shall not be required in respect of additions, modifications or amendments to or deletions of these By-Laws (including any addition, modification or amendment to or deletion of these By-Laws for purposes of complying with the Act) **PROVIDED THAT** no additions, modifications or amendments to or deletions of these By-Laws shall be made which would:
- (a) prejudice any right which would have accrued to any Grantee without the prior consent or sanction of that Grantee; or
 - (b) increase the number of Shares available under the Scheme beyond the maximum imposed by By-Law 3.1; or
 - (c) prejudice any right of the shareholders of the Company; or
 - (d) alter to the advantage of an Eligible Person and/or Grantee in respect of any matter which are required to be contained in these By-Laws unless allowed by the provisions of the Listing Requirements.
- 21.3 Upon amending 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, cause to be submitted to Bursa Securities the amended By-Laws and a confirmation letter that the said amendment or modification complies and does not contravene any of the provisions of the Listing Requirements.
- 21.4 The Grantees shall be given written notices in the term prescribed by the ESOS Committee from time to time in the event of any condition, amendment to and/or modification of these By-Laws within fourteen (14) Market Days of any of the foregoing taking effect.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

22. INSPECTION OF ACCOUNTS

All Grantees are entitled to inspect the latest audited financial statements of the Company at the registered office of the Company during normal business hours on any working day of the registered office.

23. SCHEME NOT A TERM OF EMPLOYMENT

This Scheme shall not confer or be construed to confer on an Eligible Person any special right or privilege over the Eligible Person's terms and conditions of employment in the Group under which the Eligible Person is employed nor any right 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 Eligible Person.

24. NO COMPENSATION FOR TERMINATION

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

- (a) this Scheme shall not form part of any contract of employment between the Company or any company within the Group and any Eligible Person of any company of the Group. The rights of any Eligible Person under the terms of his/her office and/or employment with any company within the Group shall not be affected by his/her participation in the Scheme, nor shall such participation or the Offer or consideration for the Offer afford such Eligible Person any additional right 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 law (other than those constituting the Options) against the Company or any company of the Group, directly or indirectly, or give rise to any course of action in law or in equity or under any other theory of law against any company within the Group;
- (c) no Grantee or his/her Representative shall bring any claim, action or proceeding against any company of the Group, the ESOS Committee or any other party for compensation, loss or damages whatsoever and howsoever arising from the suspension/cancellation of his/her rights/exercise of his/her Options or his/her rights/Options ceasing to be valid pursuant to the provisions of these By-Laws; and
- (d) the Company, the Board (including Directors that had resigned but were on the Board during the Option Period) or the ESOS Committee shall in no event be liable to the Grantee or his/her 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.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

25. DISPUTES

- 25.1 In case any dispute or difference shall arise between the ESOS Committee and an Eligible Person or a Grantee or in the event of an appeal by an Eligible Person, as the case may be, as to any matter of any nature arising hereunder, such dispute or appeal must have been referred to and received by the ESOS Committee during the duration of the Scheme, then the ESOS Committee shall determine such dispute or difference by a written decision (without the obligation to give any reason thereof) 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 ESOS Committee, the said member shall abstain from voting in respect of the decision of the ESOS 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 ESOS 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 ESOS 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. Notwithstanding anything herein to the contrary, any cost and expense incurred in relation to any dispute or difference or appeal brought by any party to the ESOS 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 15 shall be referred to external auditors or the Principal Adviser of the Company who shall act as experts and not as arbitrators and whose decision shall be final and binding in all respects.

26. COSTS AND EXPENSES

Unless otherwise stipulated by the Company in the Scheme and the Constitution, 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/or transfer of the Shares pursuant to the exercise of Options, shall be borne by the Company. Notwithstanding this, the Grantee shall bear any fee, cost and expense incurred in relation to his/her acceptance and exercise of the Options under the Scheme and any holding or dealing of Shares to be allotted and issued pursuant to the exercise of the Options, including but not limited to brokerage commissions and stamp duties.

27. CONSTITUTION

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

28. TAXES

All taxes (including income tax), if any, arising from the acceptance and/or exercise of any Option under the Scheme shall be borne by the Grantee for his/her own account and the Company shall not be liable for any one or more of such costs, fees, levies, charges and/or taxes.

29. LISTING OF AND QUOTATION FOR SHARES

- 29.1 The Company shall apply to Bursa Securities for the listing of and quotation for such new Shares to be issued pursuant to the Offer.
- 29.2 The Company and the ESOS Committee shall not under any circumstances be held liable for any cost, loss and damage 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 Grantee is entitled to subscribe.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

30. NOTICE

- 30.1 Any notice under the Scheme required to be given to or served upon the ESOS Committee by an Eligible Person or Grantee or any correspondence to be made between an Eligible Person or Grantee to the ESOS Committee shall be given or made in writing and either delivered by hand or sent to the ESOS Committee or the Company by facsimile or ordinary letter. Notwithstanding the foregoing, proof of posting shall not be evidence of receipt of the letter.
- 30.2 Any notice or request which the Company is required to give, or may desire to give, to any Eligible Person or the Grantee pursuant to the Scheme shall be in writing and shall be deemed to be sufficiently given:
- (a) if it is sent by ordinary post by the Company to the Eligible Person or the Grantee at the last address known to the Company as being his/her address, such notice or request shall be deemed to have been received three (3) Market Days after posting;
 - (b) if it is delivered by hand to the Eligible Person or the Grantee, such notice or request shall be deemed to have been received on the date of delivery; and
 - (c) if it is sent by electronic media, including but not limited to electronic mail, to the Eligible Person or the Grantee, such notice or request shall be deemed to have been received upon confirmation or notification received after the sending of notice or request by the Company.

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

- 30.3 Where any notice which the Company or the ESOS Committee is required to give, or may desire to give, in relation to matters which may affect all the Eligible Persons or all the Grantees (as the case may be) pursuant to the Scheme, the Company or the ESOS Committee may give such notice through an announcement to all employees of the Group to be made in such manner deemed appropriate by the ESOS Committee (including via electronic media). Upon the making of such an announcement, the notice to be made under By-Law 30.2 shall be deemed to be sufficiently given, served or made to all affected Eligible Persons or Grantees, as the case may be.

31. 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.

32. DISCLOSURES IN ANNUAL REPORT

The Company will make the relevant disclosures in relation to the Scheme in its annual report for as long as the Scheme continues in operation as from time to time required by the Listing Requirements.

DRAFT BY-LAWS OF THE PROPOSED ESOS (Cont'd)

33. SUBSEQUENT EXECUTIVE OR EMPLOYEE SHARE OPTION SCHEME

- 33.1 Subject to the approval of Bursa Securities and any other relevant authorities, the Company may establish a new executive or employees' share option scheme after the expiry date of this Scheme or upon termination of this Scheme.
- 33.2 The Company may implement more than one (1) Scheme provided that the aggregate number of shares available under all the Schemes does not breach the maximum limit prescribed in the prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities as amended from time to time.

34. GOVERNING LAW AND JURISDICTION

The Scheme, these By-Laws, all Offers made and Options granted and actions taken under the Scheme shall be governed by and construed in accordance with the laws of Malaysia. The Eligible Persons, by accepting the Offer in accordance with the By-Laws and terms of the Scheme and the Constitution, irrevocably submit to the exclusive jurisdiction of the courts in Malaysia.

35. ERRORS AND OMISSIONS

If in consequence of an error or omission, the ESOS Committee discovers/determines that:

- (a) an Eligible Person who was selected by the ESOS Committee/Company has not been given the opportunity to participate in the Scheme on any occasion; or
- (b) the number of Shares allotted and issued and/or transferred to any Eligible Person (including those allotted and issued and/or transferred pursuant to an exercise of Option) on any occasion is found to be incorrect;

and such error or omission cannot be corrected within the relevant period specified in the Scheme, the ESOS Committee may do all such acts and things to rectify such error or omission and ensure that the Eligible Person is given the opportunity to participate in the Scheme and/or the aggregate number of Shares to which the Eligible Person is correctly entitled to.

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FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. CONSENT AND CONFLICT OF INTEREST**2.1 Consent**

The written consent of RHB Investment Bank for the inclusion of its name in the form and context in which it appears in this Circular has been given and has not been subsequently withdrawn before the issuance of this Circular.

2.2 Declaration of Conflict of Interest

RHB Investment Bank, being the Principal Adviser for the Proposals confirms that as at the date of this Circular, there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Principal Adviser to the Company for the Proposals.

3. MATERIAL LITIGATION

As at the LPD, neither GTB nor any of its subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board is not aware and does not have any knowledge of any legal proceedings pending or threatened against the Company and/or its subsidiaries or of any fact likely to give rise to any proceedings, which may materially or adversely affect the financial position and/or business of GTB Group.

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

Save as disclosed below, as at the LPD, the Board, after making all reasonable enquiries, is not aware of any material commitments incurred or known to be incurred by the Group, which upon becoming enforceable, may have a material impact on the financial results/position of GTB Group:

Capital expenditure in respect of purchase of property, plant and equipment	RM'000
- Contracted but not provided for	755

4.2 Contingent Liabilities

As at the LPD, the Board, after making all reasonable enquiries, is not aware of any contingent liabilities incurred or known to be incurred by GTB Group, which upon becoming enforceable, may have a material impact on the financial results/ position of the Group.

FURTHER INFORMATION (Cont'd)

5. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the Registered Office of GTB at 51-21-A, Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Penang, Malaysia, during normal business hours (i.e. between 9.00 a.m. and 5.00 p.m.) from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the EGM:

- (i) the constitution of GTB;
- (ii) the audited consolidated financial statements of GTB for the past 2 FYEs 31 December 2018 and 31 December 2019 as well as the latest unaudited quarterly report on consolidated results of GTB Group for the FPE 31 March 2020;
- (iii) the draft By-Laws for the Proposed ESOS; and
- (iv) the letter of consent referred to in **Section 2** of this Appendix.

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Globetronics Technology Bhd.

Registration No. 199601037932 (410285-W)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Globetronics Technology Bhd (“**GTB**” or the “**Company**”) will be held at Ballroom 2, Lower Ground (LG) Level – Main Wing, Hotel Equatorial Penang, No. 1 Jalan Bukit Jambul, 11900 Bayan Lepas, Penang on Wednesday, 22 July 2020, at 11.00 a.m., or immediately following the conclusion or adjournment of the 23rd Annual General Meeting (“**AGM**”) of the Company, scheduled to be held at the same venue and on the same date at 10.30 a.m., whichever shall be later, for the purpose of considering and, if thought fit, passing with or without modification, by way of poll, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF AN EMPLOYEES’ SHARE OPTION SCHEME (“ESOS”) OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY (“GTB SHARES” OR “SHARES”) (EXCLUDING TREASURY SHARES) AT ANY POINT IN TIME DURING THE DURATION OF THE SCHEME FOR THE ELIGIBLE DIRECTORS AND EMPLOYEES OF GTB AND ITS SUBSIDIARY COMPANIES (EXCLUDING SUBSIDIARY COMPANIES WHICH ARE DORMANT) (“ELIGIBLE PERSON(S)”) (“GTB GROUP” OR “GROUP”) (“PROPOSED ESOS” OR “ESOS SCHEME”)

“**THAT** subject to the approvals of all relevant regulatory authorities and/or parties (if required) including but not limited to, the approval of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the listing and quotation of the new GTB Shares to be issued hereunder, the Board of Directors of GTB (“**Board**”) be and is hereby authorised to:

- (a) establish, implement and administer the Proposed ESOS which involves the granting of options (“**ESOS Options**”) to the eligible directors and employees of the GTB Group (excluding subsidiary companies which are dormant) who meet the criteria of eligibility for participation in the Proposed ESOS (“**Eligible Persons**”) in accordance with the by-laws governing the Proposed ESOS (“**By-Laws**”) and to give effect to the Proposed ESOS with full power to assent to any conditions, variations, modifications and/or amendments as may be required by the relevant regulatory authorities;
- (b) allot and issue from time to time such number of new GTB Shares to Eligible Persons as may be required to be issued in connection with the implementation of the Proposed ESOS arising from the exercise of the ESOS Options under the Proposed ESOS provided that the maximum number of new GTB Shares to be allotted and issued pursuant to the Proposed ESOS shall not at any point in time in aggregate exceed 10% of the total number of issued Shares of the Company (excluding treasury shares) or such other percentage of the total number of issued Shares of the Company (excluding treasury shares) that may be permitted by Bursa Securities or any other relevant authorities from time to time during the duration of the Proposed ESOS and such new GTB Shares shall, upon allotment and issuance, rank equally in all respects with the existing GTB Shares, save and except that they will not be entitled to any dividend, rights, allotment, and/or distribution that may be declared, made or paid, the entitlement date of which is prior to the allotment date of the new GTB Shares to be issued pursuant to the exercise of the ESOS Options and will be subject to all the provisions of the Constitution of the Company and the Main Market Listing Requirements of Bursa Securities (“**Listing Requirements**”) relating to transfer, transmission and otherwise of the Shares;
- (c) modify and/or amend the ESOS Scheme and/or the By-Laws from time to time as may be required provided that such modifications and/or amendments are effected and permitted in accordance with the provisions of the By-Laws; and

- (d) do all such acts and things, execute all such documents and to enter into such transactions, arrangements and agreements, deeds or undertakings and to make such rules or regulations, or impose such terms and conditions or delegate part of its power as may be necessary or expedient in order to give full effect to the Proposed ESOS and terms of the By-Laws.

THAT, any one (1) executive director or the secretary of the Company be and is hereby authorised to make the necessary applications to Bursa Securities and do all things necessary at the appropriate time or times for permission to deal in and for the listing and quotation of new GTB Shares that may hereafter from time to time be issued and allotted pursuant to the ESOS Scheme;

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 in any manner as it may deem fit and/or as may be required or imposed by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as it may deem necessary or expedient to implement, finalise and give full effect to the Proposed ESOS;

AND THAT the proposed By-Laws of the ESOS Scheme as set out in Appendix I of this Circular, be and is hereby approved and adopted.”

ORDINARY RESOLUTION 2

PROPOSED ALLOCATION OF ESOS OPTIONS TO NG KWENG CHONG

“**THAT** subject to the passing of the Ordinary Resolution 1, the Board be and is hereby authorised at any time and from time to time during the existence of the ESOS Scheme, to offer and grant to Ng Kweng Chong, being the Founder and Executive Chairman of the Company, the options to subscribe for such number of GTB Shares to be issued under the ESOS Scheme subject always to the following:

- (a) he must not participate in the deliberation or discussion of his own allocation to be issued under the ESOS Scheme; and
- (b) not more than 10% of the total number of GTB Shares to be issued under the ESOS Scheme shall be allocated to him, if he, either singly or collectively through persons connected to him, holds 20% or more of the total number of issued Shares (excluding treasury shares) of the Company,

provided always that it is in accordance with the Listing Requirements or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time and subject always to such terms and conditions and/or adjustments which may be made in accordance with the By-Laws of the ESOS Scheme.”

ORDINARY RESOLUTION 3

PROPOSED ALLOCATION OF ESOS OPTIONS TO DATO' HENG HUCK LEE

“**THAT** subject to the passing of the Ordinary Resolution 1, the Board be and is hereby authorised at any time and from time to time during the existence of the ESOS Scheme, to offer and grant to Dato' Heng Huck Lee, being the Chief Executive Officer/Executive Director of the Company, the options to subscribe for such number of GTB Shares to be issued under the ESOS Scheme subject always to the following:

- (a) he must not participate in the deliberation or discussion of his own allocation to be issued under the ESOS Scheme; and
- (b) not more than 10% of the total number of GTB Shares to be issued under the ESOS Scheme shall be allocated to him, if he, either singly or collectively through persons connected to him, holds 20% or more of the total number of issued Shares (excluding treasury shares) of the Company,

provided always that it is in accordance with the Listing Requirements or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time and subject always to such terms and conditions and/or adjustments which may be made in accordance with the By-Laws of the ESOS Scheme.”

ORDINARY RESOLUTION 4

PROPOSED ALLOCATION OF ESOS OPTIONS TO NG KOK YU

“**THAT** subject to the passing of the Ordinary Resolution 1, the Board be and is hereby authorised at any time and from time to time during the existence of the ESOS Scheme, to offer and grant to Ng Kok Yu, being the Corporate Director, who is also the son of Ng Kweng Chong, the Founder & Executive Chairman of the Company, the options to subscribe for such number of GTB Shares to be issued under the ESOS Scheme subject always to the following:

- (a) he must not participate in the deliberation or discussion of his own allocation to be issued under the ESOS Scheme; and
- (b) not more than 10% of the total number of GTB Shares to be issued under the ESOS Scheme shall be allocated to him, if he, either singly or collectively through persons connected to him, holds 20% or more of the total number of issued Shares (excluding treasury shares) of the Company;

provided always that it is in accordance with the Listing Requirements or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time and subject always to such terms and conditions and/or adjustments which may be made in accordance with the By-Laws of the ESOS Scheme.”

ORDINARY RESOLUTION 5

PROPOSED ALLOCATION OF ESOS OPTIONS TO HENG CHARNG SUH

“**THAT** subject to the passing of the Ordinary Resolution 1, the Board be and is hereby authorised at any time and from time to time during the existence of the ESOS Scheme, to offer and grant to Heng Charng Suh, being the Business and Operations Director, who is also the son of Dato’ Heng Huck Lee, the Chief Executive Officer/Executive Director of the Company, the options to subscribe for such number of GTB Shares to be issued under the ESOS Scheme subject always to the following:

- (a) he must not participate in the deliberation or discussion of his own allocation to be issued under the ESOS Scheme; and
- (b) not more than 10% of the total number of GTB Shares to be issued under the ESOS Scheme shall be allocated to him, if he, either singly or collectively through persons connected to him, holds 20% or more of the total number of issued Shares (excluding treasury shares) of the Company;

provided always that it is in accordance with the Listing Requirements or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time and subject always to such terms and conditions and/or adjustments which may be made in accordance with the By-Laws of the ESOS Scheme.”

ORDINARY RESOLUTION 6

PROPOSED ALLOCATION OF ESOS OPTIONS TO HENG CHARNG YEE

“**THAT** subject to the passing of the Ordinary Resolution 1, the Board be and is hereby authorised at any time and from time to time during the existence of the ESOS Scheme, to offer and grant to Heng Charng Yee, being the Business and Operations Vice President, who is also the daughter of Dato’ Heng Huck Lee, the Chief Executive Officer/Executive Director of the Company, the options to subscribe for such number of GTB Shares to be issued under the ESOS Scheme subject always to the following:

- (a) she must not participate in the deliberation or discussion of her own allocation to be issued under the ESOS Scheme; and
- (b) not more than 10% of the total number of GTB Shares to be issued under the ESOS Scheme shall be allocated to her, if she, either singly or collectively through persons connected to her, holds 20% or more of the total number of issued Shares (excluding treasury shares) of the Company;

provided always that it is in accordance with the Listing Requirements or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time and subject always to such terms and conditions and/or adjustments which may be made in accordance with the By-Laws of the ESOS Scheme.”

BY ORDER OF THE BOARD

LEE PENG LOON (MACS 01258)
P’NG CHIEW KEEM (MAICSA 7026443)
Company Secretaries

Penang
16 June 2020

Notes:
Appointment of Proxy

- (1) A proxy may but need not be a member of the Company.
- (2) For a proxy to be valid, the proxy form duly completed must be deposited at the registered office of the Company at 51-21-A Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang not less than 48 hours before the time for holding the meeting or adjournment thereof, or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll. Any completed proxy form transmitted by facsimile or electronic mail will not be accepted.
- (3) A member shall be entitled to appoint up to a maximum of 2 proxies to attend and vote instead of him at the same meeting and where a member appoints 2 proxies to vote at the same meeting, such appointment shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy.
- (4) Where a member is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991 (“Exempt Authorised Nominee”) which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”) there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- (5) Where a member is an Exempt Authorised Nominee, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds which is credited with the shares of the Company. The appointment of two (2) proxies in respect of a particular securities account shall be invalid unless the Exempt Authorised Nominee specifies the proportion of its shareholding to be represented by each proxy.
- (6) In the case of a corporate member, the proxy form must be executed under the corporation’s common seal or under the hand of an officer or attorney duly authorised.
- (7) For the purpose of determining a member who shall be entitled to attend the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 15 July 2020. Only Depositors whose name appears on the Record of Depositors as at 15 July 2020 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

PROXY FORM

GLOBETRONICS TECHNOLOGY BHD.

Registration No. 199601037932 (410285-W)
(Incorporated in Malaysia)

CDS Account No.

* I/We(*NRIC No./Passport No./Company No.)

Contact No. of (Address)

being (a) * member / members of the abovenamed Company, hereby appoint (Full Name in Block Letters)

(*NRIC No./Passport No./Company No.) of (Address)

..... (Address)

or failing whom, the Chairman of the meeting as *my/our proxy to vote for *me/us on *my/our behalf at the **EXTRAORDINARY GENERAL MEETING** of the Company to be held at Ballroom 2, Lower Ground (LG) Level – Main Wing, Hotel Equatorial Penang, No. 1 Jalan Bukit Jambul, 11900 Bayan Lepas, Penang, on Wednesday, 22 July 2020, at 11.00 a.m. or immediately following the conclusion or adjournment of the 23rd Annual General Meeting (“AGM”) of the Company, scheduled to be held at the same venue and on the same date at 10.30 a.m., whichever is later and at any adjournment thereof.

RESOLUTIONS	For	Against
ORDINARY RESOLUTION 1 – Proposed ESOS		
ORDINARY RESOLUTION 2 – Proposed Allocation Of ESOS Options To Ng Kweng Chong		
ORDINARY RESOLUTION 3 – Proposed Allocation Of ESOS Options To Dato’ Heng Huck Lee		
ORDINARY RESOLUTION 4 – Proposed Allocation Of ESOS Options To Ng Kok Yu		
ORDINARY RESOLUTION 5 – Proposed Allocation Of ESOS Options To Heng Charng Suh		
ORDINARY RESOLUTION 6 – Proposed Allocation Of ESOS Options To Heng Charng Yee		

Please indicate with an “X” in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed thisday of, 2020.

No. of shares held

For appointment of two (2) proxies, percentage of shareholdings to be represented by the proxies :		
	No. of shares	%
Proxy 1		
Proxy 2		
		100

.....
Signature(s) / Common Seal of Member(s)

Notes:

- (1) A proxy may but need not be a member of the Company.
- (2) For a proxy to be valid, the proxy form duly completed must be deposited at the registered office of the Company at 51-21-A Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang not less than 48 hours before the time for holding the meeting or adjournment thereof, or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll. Any completed proxy form transmitted by facsimile or electronic mail will not be accepted.
- (3) A member shall be entitled to appoint up to a maximum of 2 proxies to attend and vote instead of him at the same meeting and where a member appoints 2 proxies to vote at the same meeting, such appointment shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy.
- (4) Where a member is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991 (“Exempt Authorised Nominee”) which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”) there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- (5) Where a member is an Exempt Authorised Nominee, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds which is credited with the shares of the Company. The appointment of two (2) proxies in respect of a particular securities account shall be invalid unless the Exempt Authorised Nominee specifies the proportion of its shareholding to be represented by each proxy.
- (6) In the case of a corporate member, the proxy form must be executed under the corporation’s common seal or under the hand of an officer or attorney duly authorised.
- (7) For the purpose of determining a member who shall be entitled to attend the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 15 July 2020. Only Depositors whose name appears on the Record of Depositors as at 15 July 2020 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

* Strike out whichever is not desired.



Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Company Secretaries
Globetronics Technology Bhd.
51-21-A Menara BHL Bank
Jalan Sultan Ahmad Shah
10050 Penang

1st fold here
