

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

Bursa Malaysia Securities Berhad ("**Bursa Securities**") 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.

This Circular has been reviewed by CGS International Securities Malaysia Sdn. Bhd., being the Principal Adviser to Betamek Berhad ("**Betamek**" or "**Company**") for the Proposed LTIP (as defined below).



BETAMEK BERHAD
(Registration No. 202101041577 (1441877-P))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED ESTABLISHMENT OF A LONG TERM INCENTIVE PLAN COMPRISING AN EMPLOYEES' SHARE OPTION SCHEME OF UP TO 30% OF THE TOTAL NUMBER OF ISSUED SHARES OF BETAMEK (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT IN TIME DURING THE DURATION OF THE SCHEME FOR THE ELIGIBLE DIRECTORS AND EMPLOYEES OF BETAMEK AND ITS NON-DORMANT SUBSIDIARY COMPANIES ("PROPOSED LTIP")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



CGS INTERNATIONAL SECURITIES MALAYSIA SDN. BHD.
(Registration No. 197901004504 (48703-W))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting ("**EGM**") of Betamek will be held at Nice Banquet Hall, No 6, Jalan BJ 1, Taman Belmas Johan, 48000 Rawang, Selangor Darul Ehsan, Malaysia on Thursday, 28 August 2025 at 11:00 a.m. or immediately following the conclusion or adjournment of the Fourth Annual General Meeting of Betamek to be held at the same venue and on the same date at 10:00 a.m., whichever is later. The Notice of EGM, together with the Form of Proxy are enclosed in this Circular which are available for download from Betamek's website at www.betamek.com.my or Bursa Securities' website at www.bursamalaysia.com.

If you are unable to attend and vote in person at the EGM, you may appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you must complete the Form of Proxy in accordance with the instructions contained therein and lodge the same with the Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time set for holding the EGM or any adjournment thereof. The lodging of Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

Last date and time for lodging the Form of Proxy : Tuesday, 26 August 2025 at 11:00 a.m.
Date and time of the EGM : Thursday, 28 August 2025 at 11:00 a.m.

This Circular is dated 29 July 2025

DEFINITIONS

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

Act	: Companies Act 2016
Announcement	: Announcements dated 28 May 2025 and 30 May 2025 in relation to the Proposed LTIP
Betamek or Company	: Betamek Berhad (Registration No. 202101041577 (1441877-P))
Betamek Group or Group	: Collectively, Betamek and its subsidiary companies, and in the context of the Proposed LTIP, shall exclude subsidiary companies which are dormant
Betamek Shares or Shares	: Ordinary shares in Betamek
Board	: The board of Directors of Betamek
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, the draft of which is set out in Appendix I of this Circular
CDS	: Central depository system
CGS MY or Principal Adviser	: CGS International Securities Malaysia Sdn. Bhd. (Registration No. 197901004504 (48703-W))
Circular	: This circular to the shareholders of Betamek dated 29 July 2025
Constitution	: The constitution of Betamek
Directors	: A natural person who holds a directorship in Betamek or any company within the Group, whether in an executive or non-executive capacity, and shall have the meaning assigned to it in Section 2(1) of the Capital Markets and Services Act 2007
Effective Date	: The effective date of the Proposed LTIP, being the date of full compliance with all relevant requirements of the Listing Requirements in relation to the Proposed LTIP
EGM	: Extraordinary general meeting
Eligible Persons	: Directors and employees of the Group who fulfil the eligibility criteria for participation in the Proposed LTIP in accordance with the By-Laws
EPS	: Earnings per Share
ESOS	: Employees' share option scheme
ESOS Awards	: The written offer of share options to the Eligible Persons in the manner provided in, and subject to the terms and conditions of, the By-Laws
ESOS Award Date	: The date of which the ESOS Awards is awarded to an Eligible Person by the LTIP Committee from time to time

DEFINITIONS (CONT'D)

ESOS Options	:	The right of an ESOS Participant to subscribe for new Shares at the Option Price pursuant to the contract constituted by the selected Eligible Person's acceptance of an ESOS Award under the Proposed LTIP in the manner as indicated in the By-Laws
ESOS Participants	:	Eligible Persons who have accepted the ESOS Options in the manner provided in the By-Laws
FYE	:	Financial year ended/ending, as the case may be
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities
LPD	:	30 June 2025, being the latest practicable date prior to the printing of this Circular
LTIP	:	Long term incentive plan
LTIP Committee	:	The committee comprising such persons as may be appointed and duly authorised by the Board pursuant to the By-Laws to implement and administer the Scheme
MFRS 2	:	Malaysian Financial Reporting Standards 2 on "Share-Based Payment" issued by the Malaysian Accounting Standards Board
NA	:	Net assets
Option Price	:	The price at which the ESOS Participants shall be entitled to subscribe for the new Shares upon the exercise of the ESOS Options, as initially determined and as may be adjusted, pursuant to the provisions of the By- Laws
Proposed LTIP or Scheme	:	Proposed establishment of a long term incentive plan comprising an employees' share option scheme of up to 30% of the total number of issued shares of Betamek (excluding treasury shares, if any) at any point in time during the duration of the scheme for the Eligible Persons
RM and sen	:	Ringgit Malaysia and sen respectively
VWAP	:	Volume weighted average price

References to "we", "us", "our" and "ourselves" are to Betamek, and where the context otherwise requires, subsidiaries of Betamek. All references to "you" in this Circular are to shareholders of Betamek.

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 a corporation, unless otherwise specified.

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

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

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

TABLE OF CONTENTS

	PAGE
EXECUTIVE SUMMARY	iv
LETTER TO THE SHAREHOLDERS OF BETAMEK IN RELATION TO THE PROPOSED LTIP	
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED LTIP	2
3. UTILISATION OF PROCEEDS	7
4. RATIONALE FOR THE PROPOSED LTIP	8
5. DETAILS OF EQUITY FUND-RAISING EXERCISES UNDERTAKEN IN THE PAST 12 MONTHS	8
6. EFFECTS OF THE PROPOSED LTIP	9
7. HISTORICAL SHARE PRICES	10
8. APPROVALS REQUIRED	11
9. CONDITIONALITY	11
10. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM	11
11. DIRECTORS' STATEMENT AND RECOMMENDATION	12
12. ESTIMATED TIMEFRAME FOR COMPLETION	13
13. CORPORATE EXERCISE ANNOUNCED BUT PENDING COMPLETION	13
14. EGM	13
15. FURTHER INFORMATION	13
APPENDICES	
I DRAFT BY-LAWS OF THE PROPOSED LTIP	14
II FURTHER INFORMATION	46
NOTICE OF EGM	ENCLOSED
FORM OF PROXY	ENCLOSED

EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION OF THE PROPOSED LTIP. YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS TOGETHER WITH THE APPENDICES OF THIS CIRCULAR WITHOUT RELYING SOLELY ON THIS EXECUTIVE SUMMARY BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED LTIP TO BE TABLED AT THE FORTHCOMING EGM OF BETAMEK.

Key information	Summary	Reference to this Circular
Details of the Proposed LTIP	<p>The Proposed LTIP entails the establishment of the Scheme to attract, retain, motivate and reward the Eligible Persons, who fulfil the eligibility criteria, in accordance with the provisions of the By-Laws.</p> <p>The Proposed LTIP shall not in aggregate exceed 30% of the total number of issued shares of Betamek (excluding treasury shares, if any) at any point in time during the duration of the Proposed LTIP.</p> <p>The Option Price will be determined by the Board upon recommendation of the LTIP Committee, based on the 5-day VWAP of the Shares immediately preceding the ESOS Award Date with a discount of not more than 10% or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time during the duration of the Proposed LTIP.</p> <p>The Proposed LTIP shall be in force for a period of 5 years from the Effective Date and may be extended for a further period of 5 years.</p>	Section 2
Rationale for the Proposed LTIP	<p>The Proposed LTIP primarily serves as a long term incentive plan to reward the Eligible Persons and align the interest of the Eligible Persons with the corporate goals and objectives of the Group.</p>	Section 4
Effects of the Proposed LTIP	<p>The Proposed LTIP will have no immediate effect on the following:</p> <ul style="list-style-type: none">▪ existing issued share capital of Betamek;▪ NA, NA per Share and gearing of the Group;▪ earnings of the Group and the EPS (save for the estimated expenses to be incurred for the Proposed LTIP); and▪ shareholdings of the substantial shareholders of Betamek, <p>until such time when the new Shares are issued arising from the exercise of the ESOS Options pursuant to the Proposed LTIP.</p>	Section 6

EXECUTIVE SUMMARY (CONT'D)

Key information	Summary	Reference to this Circular
Interests of Directors, major shareholders, chief executive and/or persons connected	All of the Directors are entitled to participate in the Proposed LTIP and are therefore deemed interested in the Proposed LTIP to the extent of their respective allocations as well as allocations to persons connected with them, if any, under the Proposed LTIP.	Section 10
Directors' statement and recommendation	<p>The Board, having considered all aspects of the Proposed LTIP, including but not limited to the rationale and the financial effects of the Proposed LTIP, is of the opinion that the Proposed LTIP is in the best interest of Betamek.</p> <p>Accordingly, the Board recommends that you VOTE IN FAVOUR of the resolutions pertaining to the Proposed LTIP to be tabled at the forthcoming EGM.</p> <p>However, in view that all of the Directors are deemed interested in the Proposed LTIP to the extent of their respective allocations as well as allocations to persons connected with them, if any, under the Proposed LTIP, they have abstained and will continue to abstain from expressing an opinion and making any recommendation on their respective allocations as well as allocations to persons connected with them, if any, under the Proposed LTIP.</p>	Section 11

(The rest of this page has been intentionally left blank)



BETAMEK

BETAMEK BERHAD

(Registration No. 202101041577 (1441877-P))
(Incorporated in Malaysia)

Registered Office:

Level 15-2
Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Wilayah Persekutuan
Malaysia

29 July 2025

Board of Directors:

Ahmad Subri bin Abdullah	<i>(Independent Non-Executive Chairman)</i>
Mirzan bin Mahathir	<i>(Managing Director)</i>
Muhammad Fauzi bin Abd Ghani	<i>(Executive Director)</i>
Azlina binti Abdul Aziz	<i>(Independent Non-Executive Director)</i>
Yap Suan See	<i>(Independent Non-Executive Director)</i>
Mohd Shahrman bin Mohd Sidek	<i>(Independent Non-Executive Director)</i>

To: The shareholders of Betamek

Dear Sir / Madam,

PROPOSED LTIP

1. INTRODUCTION

On 28 May 2025, CGS MY had, on behalf of the Board, announced that Betamek proposed to undertake the Proposed LTIP, comprising the proposed ESOS and the proposed establishment of an employees' share grant plan ("**Proposed SGP**").

On 30 May 2025, CGS MY had, on behalf of the Board, announced that the Board has resolved not to proceed with the Proposed SGP under the Proposed LTIP as Betamek does not hold any treasury shares. The Proposed LTIP will therefore comprise the proposed ESOS only.

On 26 June 2025, CGS MY had, on behalf of the Board, announced that the additional listing application in relation to the Proposed LTIP had been submitted to Bursa Securities.

On 11 July 2025, CGS MY had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 10 July 2025, approved the listing of and quotation for such number of new Shares, representing up to 30% of the total number of issued shares of Betamek (excluding treasury shares, if any) to be issued pursuant to the Proposed LTIP on the ACE Market of Bursa Securities, subject to the conditions as set out in Section 8 of this Circular.

Further details of the Proposed LTIP are set out in the ensuing sections of this Circular.

THE PURPOSE OF THIS CIRCULAR TOGETHER WITH THE APPENDICES IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSED LTIP TOGETHER WITH THE RECOMMENDATION OF THE BOARD AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSED LTIP AND THE PROPOSED ALLOCATION OF ESOS AWARDS TO THE ELIGIBLE DIRECTORS TO BE TABLED AT THE FORTHCOMING EGM OF BETAMEK. THE NOTICE OF EGM TOGETHER WITH THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS TOGETHER WITH THE APPENDICES OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED LTIP AND THE PROPOSED ALLOCATION OF ESOS AWARDS TO THE ELIGIBLE DIRECTORS TO BE TABLED AT THE FORTHCOMING EGM OF BETAMEK.

2. DETAILS OF THE PROPOSED LTIP

The Proposed LTIP entails the establishment of the Scheme to attract, retain, motivate and reward the Eligible Persons, who fulfil the eligibility criteria as set out in Section 2.1.3 of this Circular, in accordance with the provisions of the By-Laws.

The Proposed LTIP will be administered in accordance with the By-Laws by the LTIP Committee authorised by the Board with the responsibility of, amongst others, implementing and administering the Scheme. The Board will also formulate and approve the terms of reference of the LTIP Committee.

Under the Proposed LTIP, Betamek will make written offers of ESOS Awards to the Eligible Persons, subject to the terms and conditions of the By-Laws.

The ESOS Awards shall entitle the ESOS Participants to subscribe for the Shares at the Option Price, subject to the terms and conditions of the By-Laws.

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

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

2.1 Salient terms of the Proposed LTIP

2.1.1 Maximum number of Shares available under the Proposed LTIP

As at the LPD:

- (i) Betamek has an issued share capital of RM127,029,001 comprising 450,000,000 Shares; and
- (ii) Betamek does not retain any treasury shares.

The maximum number of Shares which may be made available under the Proposed LTIP shall not in aggregate exceed 30% of the total number of issued shares of Betamek (excluding treasury shares, if any) at any point in time during the duration of the Proposed LTIP.

2.1.2 Basis of allocation and maximum allowable allocation

Subject to Section 2.1.1 of this Circular and any adjustment which may be made under the By-Laws, the maximum number of Shares to be awarded to an Eligible Person under the Scheme at any point in time of each ESOS Award shall be at the sole and absolute discretion of the LTIP Committee after taking into consideration, inter alia, the Eligible Person's seniority, job grading, designation, length of service, work performance, contribution to the Group, the profit after tax of the Group, total shareholder return and/or such other factors as the LTIP Committee deems fit in its sole and absolute discretion, and subject to the following conditions:

- (i) the total number of Shares made available under the Scheme shall not exceed the amount set out in Section 2.1.1 of this Circular;
- (ii) not more than 10% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) of the total number of issued shares of Betamek made available under the Scheme shall be allocated to any Eligible Person who, either singly or collectively through persons connected (as defined in the Listing Requirements) with the Eligible Person, holds 20% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) or more of the total number of issued shares of Betamek (excluding treasury shares, if any);
- (iii) up to 30% of the total number of Shares which may be made available under the Scheme could be allocated, in aggregate, to the Directors and senior management of the Group who are Eligible Persons (where "senior management" shall be subject to any criteria as may be determined at the sole discretion of the LTIP Committee from time to time); and
- (iv) the Directors and senior management of the Group shall not participate in the deliberation or discussion of their respective allocations as well as to persons connected with them, if any,

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.

The LTIP Committee shall determine the maximum number of Shares for the ESOS Awards that will be made available to the Eligible Persons under the Scheme, in the manner provided in the By-Laws in relation to each class or grade of Directors and employees and the aggregate maximum number of ESOS Awards that can be awarded to the Directors and employees under the Scheme from time to time, and the decision of the LTIP Committee shall be final and binding.

The LTIP Committee may at its sole and absolute discretion determine whether the ESOS Awards to the Eligible Persons will be made on a staggered basis over the duration of the Scheme or in a single award and/or whether the ESOS Awards are subject to any vesting period and if so, to determine the vesting conditions. The maximum number of ESOS Awards to be allocated to the Eligible Persons for each financial year has not been determined at this juncture.

2.1.3 Eligibility

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

- (i) in respect of an employee and/or senior management of the Group, the person must fulfil the following criteria as at the ESOS Award Date:
 - (a) is at least 18 years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (b) is employed by the Group on a full-time basis or serving in a specific designation under an employment contract with the Group (or any other contract as may be determined by the LTIP Committee) and is on the payroll of any company within the Group;
 - (c) has not served any notice of resignation, received notice of termination or otherwise ceased or had his/her employment terminated;
 - (d) must have been in employment of the Group for a period of at least 6 months (or any other period as may be determined by the LTIP Committee) prior to and up to the ESOS Award Date;
 - (e) is confirmed in writing as a full-time employee of the Group prior to and up to the ESOS Award Date; and
 - (f) fulfils any other criteria and/or falls within such category as may be determined by the LTIP Committee at its sole and absolute discretion from time to time.
- (ii) in respect of a Director, the person must fulfil the following criteria as at the ESOS Award Date:
 - (a) is at least 18 years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (b) is appointed as a Director of Betamek or any company within the Group for such periods as may be determined by the LTIP Committee prior to and up to the ESOS Award Date;
 - (c) has not given any notice of resignation, received a notice of termination or otherwise ceased or had his/her employment terminated; and
 - (d) fulfils any other criteria and/or falls within such category as may be determined by the LTIP Committee at its sole and absolute discretion from time to time,

provided always that the selection of any Director or employee for participation in the Proposed LTIP and the number of ESOS Awards to be awarded to an Eligible Person under the Proposed LTIP shall be at the sole and absolute discretion of the LTIP Committee, and the decision of the LTIP Committee shall be final and binding.

Notwithstanding the above, the LTIP Committee may, from time to time, at its absolute discretion, determine any other eligibility criteria and/or waive any of the eligibility conditions as set out above for the purpose of selecting an Eligible Person to be offered the ESOS Award, and the decision of the LTIP Committee shall be final and binding.

Subject to the above, the LTIP Committee may from time to time and at its absolute discretion, decide on the performance targets to be achieved by the ESOS Participants before the ESOS Awards can be vested.

Eligibility under the Scheme does not confer on an Eligible Person any 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 ESOS Awards unless the ESOS Awards have been made by the LTIP Committee to the Eligible Person and the Eligible Person has accepted the ESOS Awards in accordance with the provisions of the By-Laws.

2.1.4 Duration and termination

The Proposed LTIP, when implemented, shall be in force for a period of 5 years from the Effective Date. Betamek may, if the Board deems fit and upon the recommendation of the LTIP Committee, extend the Scheme for a maximum period of up to 5 years, commencing from the day after the date of expiration of the original 5 years period, and shall not in aggregate exceed 10 years from the Effective Date or such longer period as may be permitted by Bursa Securities or any other relevant authorities.

Such extended Scheme shall be implemented in accordance with the terms of the 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 from the shareholders of Betamek shall be required for the extension of the Scheme and Betamek shall serve appropriate notices on each ESOS Participant and/or make any necessary announcements to any parties and/or Bursa Securities (if required) within 30 days prior to the date of expiry of the Proposed LTIP or such other period as may be stipulated by Bursa Securities.

Subject to compliance with the requirements of Bursa Securities and any other authorities, the Scheme may be terminated by the LTIP Committee at any time before the date of expiry of the Scheme provided that Betamek makes an announcement immediately to Bursa Securities on the following:

- (i) the effective date of termination ("**Termination Date**");
- (ii) the number of ESOS Options exercised pursuant to the Proposed LTIP; and
- (iii) the reasons for termination.

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

- (a) no further ESOS Awards shall be awarded by the LTIP Committee from the Termination Date;
- (b) all ESOS Awards which have yet to be accepted by the Eligible Persons shall automatically lapse and become null and void on the Termination Date; and
- (c) all ESOS Awards which have yet to be exercised shall automatically be deemed cancelled and be null and void on the Termination Date.

Subject to the requirements under the Listing Requirements, the approval or consent of the shareholders of Betamek by way of a resolution in a general meeting and written consent of the ESOS Participants who have yet to exercise their vested ESOS Options are not required to effect a termination of the Scheme.

2.1.5 Option Price

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

2.1.6 Retention period

The new Shares arising upon the exercise of the ESOS Options will not be subjected to any retention period or restriction on transfer unless otherwise stated in the ESOS Awards as determined by the LTIP Committee from time to time. However, ESOS Participants are encouraged to hold the Shares as a long term investment and not for any speculative and/or realisation of any immediate gain.

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

An eligible Director who is a non-executive Director in the Group shall not sell, transfer or assign the Shares obtained through the exercise of the ESOS Options offered to him/her within 1 year from the ESOS Award Date.

2.1.7 Alteration of share capital during the duration of the Proposed LTIP

Subject to the provisions of the By-Laws, in the event of any alteration in the capital structure of Betamek during the duration of the Scheme, whether by way of capitalisation issue, rights issue, bonus issue, capital repayment, consolidation or subdivision of the Shares or capital reduction (save for set-off against accumulated losses) or any other variation of capital howsoever shall take place during the duration of the Scheme, Betamek shall cause such adjustment to be made to:

- (a) the Option Price and/or number of ESOS Options to the extent not yet vested or exercised; and/or
- (b) the method and/or manner in the vesting of the ESOS Options.

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

Subject to the provisions of the By-Laws, compliance with the Listing Requirements and other requirements of Bursa Securities and any other relevant authorities, the LTIP Committee may at any time and from time to time recommend to the Board any additions, amendments, modifications or deletions to the By-Laws as it shall, at its sole discretion, deem fit. Further, 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 of the terms in the By-Laws upon such recommendation and subject to Betamek submitting the amended By-Laws and a letter of compliance to Bursa Securities each time an amendment and/or modification is made, stating that the amendment and/or modification is in compliance with the provisions of the Listing Requirements and the Rules of Bursa Malaysia Depository Sdn Bhd.

Subject to the provisions of the By-Laws, the approval of the shareholders of Betamek in a general meeting shall not be required in respect of any additions, amendments, modifications or deletions to the By-Laws save and except if such addition, amendment, modification and/or deletion would:

- (i) prejudice any rights which would have accrued to any ESOS Participants without the prior consent or sanction of the ESOS Participants;
- (ii) increase the number of the Shares available under the Scheme beyond the maximum amount set out in the By-Laws;
- (iii) prejudice any rights of the shareholders of Betamek; or
- (iv) alter to the advantage of an Eligible Person and/or ESOS Participants in respect of any matters which are required to be contained in the By-Laws pursuant to the Listing Requirements, unless allowed by the provisions of the Listing Requirements.

2.1.9 Ranking of the ESOS Options and new Shares arising from the exercise of the ESOS Options

The ESOS Options shall not carry any right to vote at any general meeting of Betamek until and unless such Shares have been issued, allotted and credited into the CDS account of the ESOS Participants. The ESOS Participants shall not be entitled to any dividends, right or other entitlement (including but not limited to offer of further securities) on his/her unexercised ESOS Options.

The new Shares to be allotted and issued pursuant to the Proposed LTIP will, upon allotment and issuance, rank equally in all respects with the existing Shares, save and except that they will not be entitled to any dividends, rights, allotments and/or any other forms of distributions, where the entitlement date precedes the relevant date of allotment and issuance of the new Shares. The new Shares will be subject to the provisions of the Constitution.

Notwithstanding any provision in the By-Laws, the ESOS Participants shall not be entitled to any rights, dividends or other distributions attached to the Shares prior to the date on which the Shares are credited into their respective CDS accounts.

2.1.10 Listing of and quotation for the new Shares

Bursa Securities had, vide its letter dated 10 July 2025, approved the listing of and quotation for such number of new Shares, representing up to 30% of the total number of issued shares of Betamek (excluding treasury shares, if any), to be issued pursuant to the Proposed LTIP on the ACE Market of Bursa Securities, subject to the conditions as set out in Section 8 of this Circular.

3. UTILISATION OF PROCEEDS

The actual proceeds to be received by Betamek arising from the exercise of the ESOS Options under the Proposed LTIP will depend on, amongst others, the actual number of ESOS Options awarded and exercised at the relevant point of time as well as the Option Price. Therefore, the amount of proceeds to be received from the exercise of the ESOS Options is not determinable at this juncture.

The proceeds to be raised from the exercise of the ESOS Options by the ESOS Participants are intended to be utilised for the working capital requirements of the Group, which include, amongst others, staff costs such as salaries, statutory contributions and employee benefits as well as operating expenses such as utilities. The proceeds to be utilised for each component of working capital are subject to the Group's operating requirements at the time of utilisation and therefore cannot be determined at this juncture. However, Betamek 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 duration of the Proposed LTIP.

Pending the utilisation of proceeds raised by Betamek 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 interest derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used to fund the working capital requirements of the Group as stated above.

4. RATIONALE FOR THE PROPOSED LTIP

The Proposed LTIP primarily serves as a long term incentive plan to reward the Eligible Persons. After due consideration of the various options available, the Board is of the view that the Proposed LTIP is an appropriate avenue for the Group to align the interest of the Eligible Persons with the corporate goals and objectives of the Group as the Proposed LTIP is expected to achieve the following objectives:

- (i) to continue recognising the contribution of the Eligible Persons whose services are valued and considered vital to the operations and continued growth of the Group;
- (ii) to reward the Eligible Persons by allowing them to participate in Betamek's growth and profitability and eventually realise potential capital gains arising from any appreciation in the value of the Shares;
- (iii) to motivate the Eligible Persons in working towards better performance through greater productivity and loyalty;
- (iv) to stimulate a greater sense of belonging and dedication since the Eligible Persons are given the opportunity to participate directly in the equity of Betamek;
- (v) to encourage the Eligible Persons to remain with the Group thus ensuring that any loss of key personnel is kept to a minimum; and
- (vi) to make the Group's remuneration scheme more competitive to attract more skilled and experienced individuals to join the Group and contribute to its continued growth.

The Proposed LTIP is also extended to the non-executive Directors of Betamek to recognise their contribution to the Group and enable them to participate in Betamek's future growth.

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

The Board confirms that Betamek has not undertaken any fund-raising exercises in the past 12 months up to the date of this Circular.

6. EFFECTS OF THE PROPOSED LTIP

6.1 Issued share capital

The Proposed LTIP will not have an immediate effect on the existing issued share capital of Betamek. However, the issued share capital of Betamek may increase progressively depending on the number of new Shares to be issued arising from the exercise of the ESOS Options that may be awarded under the Proposed LTIP.

For illustrative purposes, the pro forma effects of the Proposed LTIP on the issued share capital of Betamek as at the LPD are set out below:

	No. of Shares	RM
Issued share capital as at the LPD	450,000,000	127,029,001
Shares to be issued pursuant to the Proposed LTIP	⁽ⁱ⁾ 135,000,000	⁽ⁱⁱ⁾ 47,142,000
Enlarged issued share capital	585,000,000	174,171,001

Notes:

- (i) Computed based on 30% of the total number of issued shares of Betamek as at the LPD.
- (ii) For illustrative purposes, computed based on the assumed Option Price of RM0.3492, being approximately RM0.0387 or 9.98% discount to the 5-day VWAP of the Shares up to and including the LPD of RM0.3879.

6.2 NA, NA per Share and gearing

Save for the potential impact of the MFRS 2 issued by the Malaysian Accounting Standards Board as elaborated in Section 6.3 of this Circular, the Proposed LTIP is not expected to have an immediate effect on the NA, NA per Share and gearing of the Group until such time when the Shares are issued arising from the exercise of the ESOS Options pursuant to the Proposed LTIP.

Any potential effect on the NA, NA per Share and gearing of the Group in the future would depend on factors such as the actual number of Shares to be issued which can only be determined at the point of the exercise of the ESOS Options.

Upon the exercise of the ESOS Options pursuant to the Proposed LTIP, 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 the point of such exercise.

6.3 Earnings and EPS

Save for the estimated expenses to be incurred for the Proposed LTIP of approximately RM200,000, which will be funded through internally generated funds, the Proposed LTIP will not have any effect on the earnings of the Group for the financial year ending 31 March 2026 as the Proposed LTIP is expected to be implemented in the 3rd quarter of 2025. However, the EPS may be diluted, depending on the number of the Shares issued to the ESOS Participants pursuant to the vesting of the ESOS Awards.

In accordance with MFRS 2, the cost arising from the issuance of the ESOS Options is measured by the fair value of the ESOS Options, which is expected to vest at each ESOS Award Date and recognised as an expense in the consolidated statements of comprehensive income of Betamek over the vesting period of the ESOS Options, and may therefore reduce the future earnings of the Group and the EPS. The fair value of the ESOS Options is determined after taking into consideration, amongst others, the actual number of ESOS Options exercised, the Option Price, the prevailing market price of the Shares and the volatility of the price of the Shares. Hence, the potential effect on the EPS, as a consequence of the recognition of the said cost, cannot be determined at this juncture.

The Board has taken note of the potential impact of MFRS 2 on the Group's future earnings and will take into consideration such impact in the allocation and offer of the ESOS Awards under the Proposed LTIP.

6.4 Substantial shareholders' shareholdings

The Proposed LTIP will not have any immediate effect on the shareholdings of the substantial shareholders of Betamek until such time when the new Shares are issued arising from the exercise of the ESOS Options pursuant to the Proposed LTIP. Any potential effect on the substantial shareholders' shareholdings in Betamek would depend on the actual number of new Shares to be issued pursuant to the Proposed LTIP.

6.5 Convertible securities

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

7. HISTORICAL SHARE PRICES

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

	Low	High
	RM	RM
2024		
July	0.40	0.46
August	0.40	0.48
September	0.43	0.49
October	0.42	0.45
November	0.41	0.46
December	0.42	0.45
2025		
January	0.42	0.44
February	0.43	0.46
March	0.39	0.43
April	0.37	0.40
May	0.40	0.41
June	0.39	0.41
Last transacted price of the Shares on 27 May 2025 (being the day prior to the date of the first Announcement)		0.40
Last transacted price of the Shares as at the LPD		0.39

(Source: Bloomberg)

8. APPROVALS REQUIRED

The Proposed LTIP is subject to approvals being obtained from the following:

- (i) Bursa Securities, for the listing of and quotation for such number of new Shares, representing up to 30% of the total number of issued shares of Betamek (excluding treasury shares, if any) to be issued pursuant to the Proposed LTIP on the ACE Market of Bursa Securities.

The approval from Bursa Securities was obtained vide its letter dated 10 July 2025, subject to the following conditions:

No.	Conditions	Status of compliance
(1)	CGS MY is required to submit a confirmation to Bursa Securities of full compliance of the Proposed LTIP pursuant to Rule 6.44(1) of the Listing Requirements and stating the effective date of implementation, together with a certified true copy of the resolution passed by the shareholders in general meeting; and	To be complied.
(2)	Betamek is required to furnish Bursa Securities on a quarterly basis a summary of the total number of Shares listed pursuant to the Proposed LTIP, as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied.

- (ii) shareholders of Betamek at the forthcoming EGM; and
- (iii) any other relevant authorities and/or parties, if required.

Pursuant to Section 85(1) of the Act read together with Clause 63 of the Constitution, the shareholders of Betamek, by approving the resolution on the establishment of the Proposed LTIP, are deemed to have waived their pre-emptive rights over all new Shares to be issued pursuant to the Proposed LTIP, in which such new Shares when issued shall rank equally with the existing Shares and result in a dilution to their shareholding percentage in Betamek.

9. CONDITIONALITY

The Proposed LTIP is not conditional or inter-conditional upon any other corporate proposal undertaken or to be undertaken by Betamek.

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

All the Directors of Betamek are entitled to participate in the Proposed LTIP and are therefore deemed interested in the Proposed LTIP to the extent of their respective allocations as well as allocations to persons connected with them, if any, under the Proposed LTIP (collectively referred to as “**Interested Directors**”).

Accordingly, the Interested Directors have abstained and will continue to abstain from deliberating on the resolutions pertaining to their respective allocations as well as the allocations to persons connected with them, if any, under the Proposed LTIP at the relevant Board meetings. Additionally, the Interested Directors will abstain from voting in respect of their direct and/or indirect shareholdings in Betamek on the resolutions pertaining to the Proposed LTIP and their respective allocations as well as the allocations to persons connected with them, if any, under the Proposed LTIP at the EGM to be convened.

The interested major shareholders of Betamek who are entitled to participate in the Proposed LTIP will abstain from voting in respect of their direct and/or indirect shareholdings in Betamek on the resolutions pertaining to the Proposed LTIP and their respective allocations as well as allocations to persons connected with them, if any, under the Proposed LTIP at the EGM to be convened.

The Interested Directors and the interested major shareholders of Betamek will also undertake to ensure that persons connected with them shall abstain from voting in respect of their direct and/or indirect shareholdings in Betamek on the resolutions pertaining to the Proposed LTIP and the Interested Directors' and/or the interested major shareholders' respective allocations as well as allocations to persons connected with them, if any, under the Proposed LTIP at the EGM to be convened.

As at the LPD, the shareholdings of the interested major shareholders and the Interested Directors are set out below:

	As at the LPD			
	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
<u>Interested major shareholders</u>				
Iskandar Holdings Sdn Bhd ("IHSB")	317,868,900	70.64		
Mirzan bin Mahathir	-	-	* 317,868,900	70.64
<u>Interested Directors</u>				
Mirzan bin Mahathir	-	-	* 317,868,900	70.64
Ahmad Subri bin Abdullah	33,000	0.01	-	-
Muhammad Fauzi bin Abd Ghani	6,129,000	1.36	-	-
Azlina binti Abdul Aziz	69,000	0.02	-	-
Yap Suan See	400,000	0.09	-	-
Mohd Shahrman bin Mohd Sidek	760,000	0.17	-	-

Note:

* Deemed interested by virtue of his direct shareholding in IHSB pursuant to Section 8 of the Act.

In the event that any other Directors, major shareholders of Betamek and/or persons connected with them who are entitled to participate in the Proposed LTIP are allocated with the ESOS Awards under the Proposed LTIP, specific shareholders' approval will be obtained at the general meetings prior to such allocations.

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

11. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Proposed LTIP, including but not limited to the rationale and the financial effects of the Proposed LTIP, is of the opinion that the Proposed LTIP is in the best interest of Betamek.

Accordingly, the Board recommends that you **VOTE IN FAVOUR** of the resolutions pertaining to the Proposed LTIP to be tabled at the forthcoming EGM.

However, in view that all of the Directors are deemed interested in the Proposed LTIP to the extent of their respective allocations as well as allocations to persons connected with them, if any, under the Proposed LTIP, they have abstained and will continue to abstain from expressing an opinion and making any recommendation on their respective allocations as well as allocations to persons connected with them, if any, under the Proposed LTIP.

12. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposed LTIP is expected to be implemented by the 3rd quarter of 2025. The tentative timetable in relation to the Proposed LTIP is set out below:

Timeline	Events
28 August 2025	EGM to obtain the approval from shareholders of Betamek for the Proposed LTIP
End September 2025	Implementation of the Proposed LTIP

13. CORPORATE EXERCISE ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed LTIP, the Board confirms that there is no other outstanding corporate exercise which has been announced but pending completion as at the LPD.

14. EGM

The EGM, the notice of which is set out in this Circular, will be held at Nice Banquet Hall, No 6, Jalan BJ 1, Taman Belmas Johan, 48000 Rawang, Selangor Darul Ehsan, Malaysia on Thursday, 28 August 2025 at 11:00 a.m. or immediately following the conclusion or adjournment of the Fourth Annual General Meeting of Betamek to be held at the same venue and on the same date at 10:00 a.m., whichever is later, for the purpose of considering and if thought fit, passing with or without modifications, the resolutions pertaining to the Proposed LTIP.

If you are unable to attend and vote in person at the EGM, you may appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you must complete the Form of Proxy in accordance with the instructions contained therein and lodge the same with the Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time set for holding the EGM or any adjournment thereof.

The lodging of the Form of Proxy will not preclude you from attending and voting in person should you subsequently decide to do so.

15. FURTHER INFORMATION

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

Yours faithfully,
For and on behalf of the Board
BETAMEK BERHAD

AHMAD SUBRI BIN ABDULLAH
Independent Non-Executive Chairman

DRAFT BY-LAWS OF THE PROPOSED LTIP

**BETAMEK BERHAD (“BETAMEK” OR “COMPANY”)
(REGISTRATION NO. 202101041577 (1441877-P))
BY-LAWS OF THE LONG TERM INCENTIVE PLAN**

1. DEFINITIONS AND INTERPRETATIONS

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

Act	: The Companies Act 2016, as amended from time to time and all regulations made thereunder, and any re-enactment thereof
Adviser	: A person registered on the Register of Sponsors who has been appointed by the Company to undertake a corporate proposal prescribed by Bursa Securities to require the services of an Adviser under the ACE Market Listing Requirements of Bursa Securities or a recognised principal adviser under the Main Market Listing Requirements of Bursa Securities (as the case may be)
Betamek or the Company	: Betamek Berhad (Registration No. 202101041577 (1441877-P))
Betamek Group or the Group	: The Company and its subsidiary companies as defined in Section 4 of the Act, and in the context of the LTIP, shall exclude subsidiary companies which are dormant. Subject to the foregoing, subsidiary companies include subsidiary companies which are existing as at the Effective Date and subsidiary companies 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 11
Betamek Share(s) or Share(s)	: Ordinary share(s) in Betamek
Board	: The Board of Directors of the Company
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)
CDS	: Central Depository System
CDS Account	: A CDS 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 subsidiary legislations made thereunder and any re-enactment thereof
Constitution	: The constitution of the Company, including any amendments thereto that may be made from time to time

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

Date of Expiry	: Last day of the duration of the Scheme or last day of any extended period pursuant to By-Law 13.2 (as the case may be)
Director	: A natural person who holds a directorship in the Company or any company within Betamek Group, whether in an executive or non-executive capacity, and shall have the meaning assigned to it in Section 2(1) of the Capital Markets and Services Act 2007
Effective Date	: The date on which the Scheme comes into force as provided in By-Law 13.1
Eligible Person	: Director or Employee of the Company or any company within the Group who meets the criteria of eligibility for participation in the Scheme as set out in By-Law 4 hereof, including any non-executive Director within the Group who meets the criteria of eligibility for participation in ESOS as set out in By-Law 4 hereof
Employee	: Any person who is employed on a full-time basis and is on the payroll of any company within the Group and such employment has been confirmed including a person who is under an employment contract for a fixed duration and has been in the employment of any company within the Group for such period as may be determined by the LTIP Committee
Entitlement Date	: The date as at the close of business on which shareholders' name must appear in the Company's record of depositors maintained at Bursa Depository in order to be entitled to any dividends, rights, allotments and/or other distributions
ESOS	: The employees' Share Option Scheme as stipulated in these By-Laws
ESOS Award(s)	: The award of such number of ESOS Option(s) to an Eligible Person to subscribe for the Shares at the Option Price in the manner and subject to the terms and conditions provided in these By-Laws
ESOS Award Date(s)	: The date of which an ESOS Option(s) is awarded to an Eligible Person pursuant to an ESOS Award letter
ESOS Option(s) or Option(s)	: The right of ESOS Participant(s) to subscribe for the Share(s) at the Option Price in the manner provided in By-Law 31
ESOS Participant(s)	: Eligible Person(s) who has accepted the ESOS Award(s) in the manner provided in By-Law 30
ESOS Vesting Date(s)	: The date upon which all or any part of the ESOS Option(s) awarded to ESOS Participant(s) are eligible to be vested and are entitled to exercise the ESOS Option(s) upon fulfilment of all terms and vesting conditions, if any, as determined by the LTIP Committee
Listing Requirements	: ACE Market or Main Market Listing Requirements of Bursa Securities (as the case may be) including all amendments thereto and any Guidance Notes or Practice Notes issued in relation thereto

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

LTIP Committee	: The committee comprising such persons as may be appointed and duly authorised by the Board pursuant to By-Law 14 to implement and administer the Scheme
LTIP or Scheme	: Betamek's long term incentive plan comprising an employees' share option scheme of up to 30% of the total number of issued shares of Betamek (excluding treasury shares, if any) at any point in time during the duration of the scheme for the Eligible Persons in accordance with the provisions of these By-Laws
Market Day	: A day on which Bursa Securities is open for trading in securities
Maximum Allowable Allotment	: The maximum number of Shares in respect of the ESOS Award(s) that can be made available to an Eligible Person as set out in By-Law 5
Option Price	: The price at which ESOS Participant(s) shall be entitled to subscribe for the Share(s) upon the exercise of the ESOS Option(s), as initially determined and as may be adjusted, pursuant to the provisions of By-Law 33
Register of Sponsors	: A register maintained by Bursa Securities for the ACE Market of Bursa Securities specifying all persons which have been approved to act as sponsors by Bursa Securities pursuant to the Chapter 4 of the Listing Requirements and such approval has not been revoked or suspended
RM and sen	: Ringgit Malaysia and sen respectively
Rules of Bursa Depository	: The rules of Bursa Depository, as issued pursuant to the Central Depositories Act

1.2 In these By-Laws:

- (i) any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision and the Listing Requirements and any policies and/or guidelines of Bursa Securities 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 and/or guidelines are addressed to by Bursa Securities and/or the other relevant authorities);
- (ii) any reference to a statutory provision shall include that provision as from time to time modified or re-enacted whether before or after the date of these By-Laws so far as such modification or re-enactment applies or is capable of applying to any ESOS Award(s) awarded or accepted during the duration of the Scheme and shall also include any past statutory provision (as from time to time modified or re-enacted) which such provision has directly or indirectly replaced;
- (iii) words denoting the singular shall include the plural and vice versa and references to gender shall include both genders and the neuter;
- (iv) subject to full compliance with the Listing Requirements and other relevant laws, any liberty or power which may be exercised or any determination which may be made hereunder by the LTIP Committee may be exercised in the LTIP Committee's absolute discretion and the LTIP Committee shall not be under any obligation to give any reasons thereof, except as may be required by the relevant authorities;

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

- (v) the headings in these By-Laws are for convenience only and shall not be taken into account in the interpretation of these By-Laws;
- (vi) if an event is to occur on a stipulated day which is not a Market Day, then the stipulated day will be taken to be the first Market Day after that day, and if an event is to occur on a stipulated day which falls after the Date of Expiry then the stipulated day shall be taken to be the last Market Day of the duration of the LTIP;
- (vii) any reference to the Company and/or other person shall include a reference to its successors-in-title and permitted assigns;
- (viii) unless otherwise stated herein and whenever applicable, the currency adopted for any matter referred to in this By-Laws is RM and sen, being the lawful currency of Malaysia; and
- (ix) “**person connected**” shall have the meaning as defined in Rule 1.01 of the Listing Requirements.

2. NAME OF SCHEME

2.1 This Scheme shall be called the “**Betamek’s Long Term Incentive Plan**”.

2.2 The objectives of the Scheme are as follows:

- (i) to continue recognising the contribution of the Eligible Persons whose services are valued and considered vital to the operations and continued growth of the Group;
- (ii) to reward the Eligible Persons by allowing them to participate in Betamek’s growth and profitability and eventually realise potential capital gains arising from any appreciation in the value of the Shares;
- (iii) to motivate the Eligible Persons to work towards better performance through greater productivity and loyalty;
- (iv) to stimulate a greater sense of belonging and dedication since the Eligible Persons are given the opportunity to participate directly in the equity of Betamek;
- (v) to encourage the Eligible Persons to remain with the Group thus ensuring that any loss of key personnel is kept to a minimum; and
- (vi) to make the Group’s remuneration scheme more competitive to attract more skilled and experienced individuals to join the Group and contribute to its continued growth.

The LTIP is also extended to the non-executive Directors of the Company to recognise their contribution towards the growth and performance of the Group and to enable them to participate in the future growth of the Group. The non-executive Directors of the Company are recognised for their role in providing insight in deliberations of the Board in matters such as corporate governance, internal controls, risk management and finance, which form the foundation to protect the interests of all stakeholders, including shareholders of the Company. Thus, their participation in the equity of the Company is not expected to impair their independent judgement or ability to act in the best interest of the Company.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

In determining the allocation of the ESOS Award(s) to the non-executive Directors of the Company, the LTIP Committee will take into consideration, among other factors, the proportion of ESOS Award(s) to be allocated to the non-executive Directors to ensure that such allocation does not comprise whether individually or collectively, a significant portion of the ESOS Award(s) available under the LTIP, and the potential shareholdings of the non-executive Directors upon full exercise of ESOS Award(s) vested in them. In addition, there will also be a retention period imposed on the non-executive Directors in which they shall not sell, transfer or assign the Shares obtained through the exercise of the ESOS Options offered to him/her within 1 year from the date of the ESOS Options as set out in **By-Law 8**.

3. MAXIMUM NUMBER OF SHARES AVAILABLE UNDER THE SCHEME

- 3.1 The maximum number of the Shares which may be made available under the Scheme shall not in aggregate exceed thirty percent (30%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point in time during the duration of the Scheme as provided in **By-Law 13.2** ("**Maximum Shares**").
- 3.2 Notwithstanding the provision of **By-Law 3.1** and any other provisions contained herein, in the event the Maximum Shares exceeds thirty percent (30%) 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 the Shares in accordance with the provisions of the Act or the Company undertaking any corporate proposal thereby reducing the total number of issued shares of the Company, then such ESOS Award(s) awarded prior to the reduction 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 LTIP Committee shall not make further ESOS Award(s) until the total number of the Shares under the subsisting ESOS Award(s) falls below thirty percent (30%) of the total number of issued shares of the Company (excluding treasury shares, if any).
- 3.3 For the avoidance of doubt, any ESOS Award that is not accepted by any Eligible Persons will be added back to the number of Shares available to be awarded under the LTIP.

4. ELIGIBILITY

- 4.1 Subject to the sole discretion of the LTIP Committee, only Eligible Persons who fulfil the following conditions as at the ESOS Award Date shall be eligible to participate in the Scheme:
- (i) in respect of an Employee and/or senior management of the Group, the person must fulfil the following criteria as at the ESOS Award Date:
 - (a) is at least eighteen (18) years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (b) is employed by Betamek Group on a full-time basis or serving in a specific designation under an employment contract with Betamek Group (or any other contract as may be determined by the LTIP Committee) and is on the payroll of any company within Betamek Group;
 - (c) has not served any notice of resignation, received notice of termination or otherwise ceased or had his/her employment terminated;
 - (d) must have been in employment of the Betamek Group for a period of at least six (6) months (or any other period as may be determined by the LTIP Committee) prior to and up to the ESOS Award Date;
 - (e) is confirmed in writing as a full-time Employee of Betamek Group prior to and up to the ESOS Award Date; and

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

- (f) fulfils any other criteria and/or falls within such category as may be determined by the LTIP Committee at its sole and absolute discretion from time to time.
- (ii) in respect of a Director, the person must fulfil the following criteria as at the ESOS Award Date:
 - (a) is at least eighteen (18) years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (b) is appointed as a Director of the Company or any company within Betamek Group for such periods as may be determined by the LTIP Committee prior to and up to the ESOS Award Date;
 - (c) has not given any notice of resignation, received a notice of termination or otherwise ceased or had his/her employment terminated; and
 - (d) fulfils any other criteria and/or falls within such category as may be determined by the LTIP Committee at its sole and absolute discretion from time to time,

provided always that the selection of any Director or Employee for participation in the LTIP and the number of ESOS Award(s) to be awarded to an Eligible Person under the LTIP shall be at the sole and absolute discretion of the LTIP Committee, and the decision of the LTIP Committee shall be final and binding.

- 4.2 Notwithstanding the above, the LTIP Committee may, from time to time, at its absolute discretion, determine any other eligibility criteria and/or waive any of the eligibility conditions as set out in **By-Law 4.1** for the purpose of selecting an Eligible Person to be offered the ESOS Award, and the decision of the LTIP Committee shall be final and binding.
- 4.3 Subject to **By-Law 4.1**, the LTIP Committee may from time to time and at its absolute discretion decide on the performance targets to be achieved by the ESOS Participants before the ESOS Award(s) can be vested.
- 4.4 Notwithstanding **By-Law 4.1**, the ESOS Award(s) to be awarded to any Eligible Person who is a Director, major shareholder or chief executive of the Company or persons connected with such Director, major shareholder or chief executive (as defined in the Listing Requirements), such specific allocation to the said person under the LTIP must also be approved by the shareholders of the Company in general meeting provided always that (a) such interested parties and/or persons connected with them shall abstain from voting on the resolution approving their respective allocations and/or allocations to persons connected with them unless such approval is no longer required under the Constitution, the Listing Requirements and/or any other prevailing guidelines issued by the authorities; and (b) any such allocation is not prohibited or disallowed by the relevant authorities or by any laws or regulations.
- 4.5 Any Eligible Person who holds more than one (1) position within Betamek 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 category/designation of employment. The LTIP Committee shall be entitled at its sole discretion to determine the applicable category/designation of employment.
- 4.6 In the event that any Eligible Person is a member of the LTIP Committee and to avoid any potential conflict of interest with regard to the specific allocation to the said Eligible Person, such Eligible Person shall not participate in the deliberation or discussion of his/her own eligibility and allocation of the ESOS Award(s) as well as that of persons connected with him/her.
- 4.7 An Employee or Director of a dormant company within Betamek Group is not eligible to participate in the Scheme.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

- 4.8 An Employee or Director may, at the sole discretion of the LTIP Committee, be eligible to participate in the Scheme, subject to the Maximum Allowable Allotment.
- 4.9 Eligibility under the Scheme does not confer on an Eligible Person any 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 ESOS Award(s) unless the ESOS Award(s) have been made by the LTIP Committee to the Eligible Person and the Eligible Person has accepted the ESOS Award(s) in accordance with these By-Laws.

5. BASIS OF ALLOCATION AND MAXIMUM ALLOWABLE ALLOCATION

- 5.1 The allocation of the Shares to be made available for the ESOS Award(s) under the Scheme shall be determined by the LTIP Committee.
- 5.2 Subject to **By-Law 3** and any adjustment which may be made under **By-Law 9**, the maximum number of Shares to be awarded to an Eligible Person under the Scheme at any point in time of each ESOS Award shall be at the sole and absolute discretion of the LTIP Committee after taking into consideration, inter alia, the Eligible Person's seniority, job grading, designation, length of service, work performance, contribution to the Group, the profit after tax of the Group, total shareholder return and/or such other factors as the LTIP Committee deems fit in its sole and absolute discretion, and subject to the following conditions:
- (i) the total number of Shares made available under the Scheme shall not exceed the Maximum Shares stipulated in **By-Law 3.1**;
 - (ii) not more than ten percent (10%) (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) of the total number of issued shares of the Company made available under the Scheme shall be allocated to any Eligible Person who, either singly or collectively through persons connected (as defined in the Listing Requirements) with the Eligible Person, holds twenty percent (20%) (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) or more of the total number of issued shares of the Company (excluding treasury shares, if any);
 - (iii) up to thirty percent (30%) of the total number of Shares which may be made available under the Scheme could be allocated, in aggregate, to the Directors and senior management of Betamek Group who are Eligible Persons (where "senior management" shall be subject to any criteria as may be determined at the sole discretion of the LTIP Committee from time to time); and
 - (iv) the Directors and senior management of Betamek Group shall not participate in the deliberation or discussion of their respective allocations as well as to persons connected with them, if any,

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.

- 5.3 The LTIP Committee shall determine the maximum number of Shares for the ESOS Award(s) that will be made available to an Eligible Person under the Scheme, in the manner provided in these By-Laws in relation to each class or grade of Directors and Employees and the aggregate maximum number of ESOS Award(s) that can be awarded to the Directors and Employees under the Scheme from time to time, and the decision of the LTIP Committee shall be final and binding.
- 5.4 At the time the ESOS Award is offered, the LTIP Committee shall set out the basis of allocation of the ESOS Award(s) made to the Eligible Person(s) having the further particulars as set out in **By-Law 29.3**.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

-
- 5.5 In the event that an Eligible Person is promoted, the Maximum Allowable Allotment applicable to such Eligible Person shall be the Maximum Allowable Allotment that may be awarded corresponding to the category of employee of which he/she then is a party, subject always to the Maximum Shares stipulated in **By-Law 3.1**.
- 5.6 In the event that an Eligible Person who is demoted/re-designated to a lower grade for whatsoever reason shall only be entitled to the allocation of that lower grade unless an award has been made and accepted by him before such demotion/re-designated and where he has accepted an award which exceeds his Maximum Allowable Allotment under that lower grade, he shall not be entitled to any further allocation for that lower grade.
- 5.7 Any Eligible Person who holds more than 1 position within the Group (including a Director who sits on the board(s) of directors of any one or more subsidiaries within the Group), and is therefore an Eligible Person in more than one designation in the Group, shall be entitled to the Maximum Allowable Allotment of one (1) selected designation. The LTIP Committee shall be entitled at its sole and absolute discretion to determine the applicable designation of such Eligible Person for the purposes of determining the Maximum Allowable Allotment.
- 5.8 The Company shall ensure that the ESOS Award(s) awarded pursuant to the Scheme is verified by the Audit Committee of Betamek Group at the end of each financial year as being in compliance with the award criteria of the ESOS Award(s) which have been disclosed to the Eligible Person.
- 5.9 The LTIP Committee may at its sole and absolute discretion determine whether the ESOS Award(s) to the Eligible Person(s) will be made on a staggered basis over the duration of the Scheme or in a single award and/or whether the ESOS Award(s) are subject to any vesting period and if so, to determine the vesting conditions.
- 5.10 If any Eligible Person is a member of the LTIP Committee, such Eligible Person shall not participate in the deliberation or discussion of his/her ESOS Award(s).
- 5.11 The selection of any Eligible Person to participate in the Scheme will be at the sole discretion of the LTIP Committee and the decision of the LTIP Committee shall be final and binding.
- 5.12 At the time the ESOS Award(s) is awarded in accordance with these By-Laws, the LTIP Committee shall set out the basis of award, identifying the category or grade of the Eligible Person and the Maximum Allowable Allotment that may be awarded to such Eligible Person under the ESOS Award(s).
- 5.13 Subject to **By-Law 5.2**, nothing herein shall prevent the LTIP Committee from awarding more than one (1) ESOS Award(s) to an Eligible Person PROVIDED THAT the total aggregate number of Shares comprised in the ESOS Award(s) awarded to such Eligible Person during the duration of the Scheme shall not exceed the Maximum Allowable Allotment that an Eligible Person is entitled under the ESOS Award(s).
- 6. RIGHTS OF ESOS PARTICIPANT(S)**
- 6.1 The ESOS Award(s) shall not carry any right to vote at any general meeting of the Company.
- 6.2 The Shares which are credited into the ESOS Participants' CDS Account upon exercising of the ESOS Options, would carry rights to vote at the general meeting of the Company, if the ESOS Participant(s) is registered in the Record of Depositors on the Entitlement Date to be entitled to attend and vote at the general meeting.
- 6.3 An ESOS Participant(s) shall not be entitled to any dividends, rights and/or other distributions on his/her unexercised ESOS Options.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

7. RIGHTS ATTACHING TO THE SHARES

- 7.1 The ESOS Options shall not carry any right to vote at any general meeting of the Company until and unless such Shares have been issued, allotted and credited into the CDS Account of the ESOS Participants. The ESOS Participants shall not be entitled to any dividends, right or other entitlement (including but not limited to offer of further securities) on his/her unexercised ESOS Options.
- 7.2 The new Shares to be allotted and issued pursuant to the LTIP will, upon allotment and issuance, rank equally in all respects with the existing Shares, save and except that they will not be entitled to any dividends, rights, allotments and/or any other forms of distributions, where the Entitlement Date precedes the relevant date of allotment and issuance of the new Shares.
- 7.3 The new Shares to be allotted and issued pursuant to the LTIP will be subject to the provisions of the Constitution relating to transfer, transmission or otherwise of the Shares including the rights of the holders of the Shares on the winding up of the Company and the rights provided to shareholders under the Listing Requirements, if any.
- 7.4 Notwithstanding any provision in these By-Laws, the ESOS Participant(s) shall not be entitled to any rights, dividends or other distributions attached to the Shares prior to the date on which the Shares are credited into their respective CDS Accounts.

8. RETENTION PERIOD

- 8.1 The new Shares arising upon the exercise of the ESOS Option(s) will not be subjected to any retention period or restriction on transfer unless otherwise stated in the ESOS Award(s) as determined by the LTIP Committee from time to time. However, ESOS Participant(s) are encouraged to hold the Shares as a long term investment and not for any speculative and/or realisation of any immediate gain. The expression "retention period" shall mean the period in which the Shares awarded and issued pursuant to the Scheme must not be sold, transferred, assigned or otherwise disposed of by the ESOS Participant(s).
- 8.2 Notwithstanding **By-Law 8.1**, the LTIP Committee shall be entitled at its discretion to prescribe or impose, in relation to any ESOS Award(s), any condition relating to any retention period or restriction on transfer (if applicable) as the LTIP Committee sees fit.
- 8.3 An eligible Director who is a non-executive Director in the Group shall not sell, transfer or assign the Shares obtained through the exercise of the ESOS Options offered to him within one (1) year from the ESOS Award Date.

9. ALTERATION OF SHARE CAPITAL AND ADJUSTMENT

- 9.1 Subject to **By-Law 9.5**, in the event of any alteration in the capital structure of the Company during the duration of the Scheme, whether by way of capitalisation issue, rights issue, bonus issue, capital repayment, consolidation or subdivision of the Shares or capital reduction (save for set-off against accumulated losses) or any other variation of capital howsoever shall take place during the duration of the Scheme, the Company shall cause such adjustment to be made to:
- (i) the Option Price and/or number of ESOS Options to the extent not yet vested or exercised; and/or
 - (ii) the method and/or manner in the vesting of the ESOS Options.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

9.2 The following provisions shall apply in relation to an adjustment which is made pursuant to **By-Law 9.1**:

- (i) any adjustment to the Option Price shall be rounded down to the nearest one (1) sen; and
- (ii) in determining an ESOS Participant's entitlement to have the Shares exercised and/or vested, any fractional entitlements will be disregarded.

9.3 Any ESOS Options shall be subject to adjustments by the LTIP Committee in accordance with the following formula (as applicable):

(i) **Consolidation and subdivision**

Whenever any consolidation or subdivision or conversion of Shares occurs, the Option Price for the ESOS Award(s) and/or the number of ESOS Options relating to the ESOS Award(s) to be issued shall be adjusted, calculated or determined in the following formula:

(a) **New Option Price**

$$\text{New Option Price} = \text{EP} \times \frac{L}{M}$$

(b) **Number of new ESOS Options**

$$\text{Number of new ESOS Options} = \frac{T \times M}{L} - T$$

Where:

EP = Existing Option Price

T = Existing number of ESOS Options relating to the ESOS Award(s) awarded

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

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

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.

(ii) **Capitalisation of profits/reserves**

If and whenever the Company shall make any issue of new Shares to ordinary shareholders credited as fully paid-up, by way of bonus issue or capitalisation issue from profits or reserves (whether of a capital or income nature and including any capital redemption reserve fund), the Option Price for the ESOS Award(s) shall be adjusted by multiplying it by the following fraction:

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

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

and the number of additional Shares/ESOS Options relating to the ESOS Award(s) to be issued shall be calculated as follows:

$$\text{Number of additional Shares or ESOS Options} = \frac{T \times (A + B)}{A} - T$$

Where:

- A = the aggregate number of issued and fully paid-up Shares immediately before such bonus issue or capitalisation issue;
- B = the aggregate number of Shares to be issued pursuant to any allotment to ordinary shareholders of the Company credited as fully paid-up by way of bonus issue or capitalisation of profits or reserves (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 following the Entitlement Date for such issue.

(iii) **Capital Distribution, Rights Issue of Shares or Rights Issue of Convertible Securities**

If and whenever the Company shall make:

- (a) 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
- (b) any offer or invitation to its ordinary shareholders whereunder they may acquire or subscribe for new Shares by way of rights; or
- (c) 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 for the ESOS Award(s) 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 9.3(iii)(b)**, the number of additional ESOS Options comprised in the ESOS Award(s) to be issued shall be calculated as follows:

$$\text{Number of additional Shares or ESOS Options} = T \times \left(\frac{C}{C - D^*} \right) - T$$

Where:

- T = as T above;

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

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 9.3(iii)(b)** or for securities convertible into Shares or securities with rights to acquire or subscribe for new Shares under **By-Law 9.3(iii)(c)**, 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 9.3(iii)**, the fair market value as determined by the Principal Adviser and/or the external auditor of the Company of that portion of the Capital Distribution attributable to one (1) existing Share.

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

For the purpose of definition “(aa)” of D above, the “value of rights attributable to one (1) existing Share” shall be calculated in accordance with the following 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 the Share or subscription price of one (1) additional security convertible into Shares or one (1) additional security with rights to acquire or subscribe for the 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 or subscribe for security convertible into one (1) additional Shares or rights to acquire or subscribe for one (1) additional Shares.

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

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

Where:

C = as C above;

E* = the subscription price for 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.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

For the purpose of **By-Law 9.3(iii)**, “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 9.3(ii)**) or other securities issued 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 consolidated statements of profit or loss and other comprehensive income of the Company.

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

(iv) **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 9.3(ii)** and also makes any offer or invitation to its ordinary shareholders as provided in **By-Law 9.3(iii)(b)** or **(iii)(c)** above and Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the Option Price for the ESOS Award(s) shall be adjusted by multiplying it by the following fraction:

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

and where the Company makes any allotment to its ordinary shareholders as provided in **By-Law 9.3(ii)** and also makes any offer or invitation to its ordinary shareholders as provided in **By-Law 9.3(iii)(b)** 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 number of ESOS Options which a ESOS Participant may be entitled to be issued with, shall be calculated as follows:

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

Where:

B = as B above;

C = as C above;

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

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

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

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

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

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

T = as T above.

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

(v) **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 9.3(iii)(b)** 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 9.3(iii)(c)** 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 for the ESOS Award(s) shall be adjusted by multiplying it by the following fraction:

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

and the number of additional Shares/ESOS Options comprised in the ESOS Award(s) shall be calculated as follows:

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

Where:

C = as C above;

G = as G above;

H = as H above;

H* = as H* above;

I = as I above;

I* = as I* above;

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

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

T = as T above.

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

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

(vi) **Capitalisation of profits/reserve, rights issue of the Shares and rights issue of convertible securities**

If and whenever the Company makes an allotment to its ordinary shareholders as provided in **By-Law 9.3(ii)** and also makes an offer or invitation to its ordinary shareholders to acquire or subscribe for the Shares as provided in **By-Law 9.3(iii)(b)**, together with rights to acquire or subscribe for securities convertible into new Shares or with rights to acquire or subscribe for the Share as provided in **By-Law 9.3(iii)(c)**, 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 for the ESOS Award(s) 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 Shares/ESOS Options comprised in the ESOS Award(s) shall be calculated as follows:

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

Where:

B = as B above;

C = as C above;

G = as G above;

H = as H above;

H* = as H* above;

I = as I above;

I* = as I* above;

J = as J above;

K = as K above; and

T = as T above.

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

(vii) **Others**

If and whenever (otherwise than pursuant to a rights issue available to all ordinary shareholders of the Company and requiring an adjustment under **By-Law 9.3(iii)(b)**, **(iii)(c)**, **(iv)**, **(v)** or **(vi)**), the Company shall issue either new Shares or any securities convertible into new Shares or any rights to acquire or subscribe for the Shares, and in any such case, the Total Effective Consideration per Share (as defined below) is less than ninety percent (90%) of the Average Price (as defined below) for one (1) Share or, as the case may be, the price at which the Shares will be issued upon conversion of such securities or exercise of such rights is determined, the Option Price for the ESOS Award(s) shall be adjusted by multiplying it by the following fraction:

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

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

Where:

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

For the purpose of **By-Law 9.3(vii)**, the “Total Effective Consideration” shall be determined by the LTIP Committee with the concurrence of the external auditor shall be:

- (i) in the case of the issue of new Shares, the aggregate consideration receivable by the Company on payment in full for such Shares;
- (ii) in the case of the issue by the Company of securities wholly or partly convertible into new Shares, the aggregate consideration receivable by the Company on payment in full for such securities or such part of the securities as is convertible together with the total amount receivable by the Company upon full conversion of such securities (if any); or
- (iii) in the case of the issue by the Company of securities with rights to acquire or subscribe for 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 commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the “Total Effective Consideration per Share” shall be the Total Effective Consideration divided by the number of new Shares issued as aforesaid or, in the case of securities convertible into new Shares or securities with rights to acquire or subscribe for new Shares, by the maximum number of new Shares issuable on full conversion of such securities or on exercise in full of such rights .

For the purpose of **By-Law 9.3(vii)**, “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 Market Day immediately following the date on which the issue is announced, or (failing any such announcement) on the Market Day immediately following the date on which the Company determines the subscription price of such Shares. Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the Market Day immediately following the completion of the above transaction.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

For the purpose of **By-Law 9.3(iii), (iv), (v) and (vi)**, the current market price in relation to one (1) existing Shares for any relevant day shall be based on the volume weighted average market price of the Shares for the five (5) Market Days before such date or during such other period as may be determined in accordance with any guidelines issued, from time to time, by the relevant authorities.

Such adjustment must be confirmed in writing by the external auditors or Adviser of the Company for the time being (acting as experts and not as arbitrators), upon reference to them by the LTIP 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 exercising of an ESOS Option by the ESOS Participant(s), the ESOS Participant(s)' entitlement shall be round down to the nearest whole number;
- (c) upon any adjustment being made pursuant to these By-Laws, the LTIP Committee shall, within thirty (30) days of the effective date of the alteration in the capital structure of the Company, notify the ESOS Participant(s) (or his legal representatives where applicable) in writing informing him of the adjusted Option Price for the ESOS Award(s) thereafter in effect and/or the number of the Shares/ESOS Options comprised in the ESOS Award(s); and
- (d) any adjustments made must be in compliance with the provisions for adjustments provided in these By-Laws.

For avoidance of doubt, any adjustments to the Option Price for the ESOS Award(s) and/or the number of the Shares/ESOS Options comprised in the ESOS Award(s) so far as unvested and/or unexercised arising from bonus issue, subdivision or consolidation of the Shares need not be confirmed in writing by the external auditors or the Adviser of the Company.

- 9.4 If an event occurs that is not set out in **By-Law 9.3** or if application of any of the formula to an event results in a manifest error or does not, in the opinion of the LTIP Committee, achieve the desired result of preventing the dilution or enlargement of the Eligible Person's rights, the LTIP Committee may agree to an adjustment subject to the provision of **By-Law 9.3** provided that the Eligible Persons shall be notified of the adjustment through an announcement to all Eligible Persons to be made in such manner deemed appropriate by the LTIP Committee.
- 9.5 The provisions of **By-Law 9** shall not apply where the alteration in the capital structure of the Company arises from any of the following:
- (i) an issue of new Shares or other securities convertible into Shares or rights to acquire or subscribe for the Shares in consideration or part consideration for an acquisition of any other securities, assets or business by the Group;
 - (ii) an issue of Shares pursuant to the vesting of ESOS Award(s) under the Scheme;
 - (iii) an issue of securities as consideration or part consideration for an acquisition of any other securities, assets or business;
 - (iv) private placement or restricted issue or special issue of new Shares by the Company;
 - (v) special issue of securities 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;

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

- (vi) 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
 - (vii) an issue of new Shares arising from the exercise of any conversion rights attached to securities convertible to new Shares or upon exercise of any other rights including warrants and convertible loan stocks or other instruments (if any) issued by the Company.
- 9.6 In the event that the Company enters into any scheme of arrangement or reconstruction pursuant to Part III (Division 7, Subdivision 2) of the Act, **By-Law 9.1** shall be applicable in respect of such part(s) of the scheme which involves any alteration(s) in the capital structure of the Company to which **By-Law 9.1** is applicable, but **By-Law 9.1** shall not be applicable in respect of such part(s) of the scheme which involves any alteration(s) in the capital structure of the Company to which **By-Law 9.1** is not applicable as described in **By-Law 9.5**.
- An adjustment pursuant to **By-Law 9.1** shall be made according to the following terms:
- (i) in the case of a right issue, bonus issue or other capitalisation issue, on the next Market Day following the Entitlement Date in respect of such issue; or
 - (ii) in the case of a consolidation or subdivision of the Shares or reduction of capital, on the Market Day immediately following the date on which the consolidation or subdivision or capital reduction becomes effective, or such period as may be prescribed by Bursa Securities.
- 9.7 Save for any alteration in the capital structure of the Company during the period of LTIP arising from bonus issues, subdivision or consolidation of shares, all adjustments must be confirmed in writing by an Adviser or external auditor, acting as an expert and not as an arbitrator, to be in their opinion fair and reasonable. Such confirmation shall be final and binding on all parties.
- 9.8 Upon any adjustment being made, the LTIP Committee shall give notice in writing within thirty (30) days from the date of adjustment to the ESOS Participant(s), or his/her legal representative, where applicable, to inform him/her of the adjustment and the event giving rise thereto
- 9.9 Notwithstanding the provisions referred to in these By-Laws, the LTIP Committee may exercise its sole discretion to determine whether any adjustments to the Option Price for ESOS Award(s) and/or the number of the Shares/ESOS Options comprised in the ESOS Award(s) 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 for the ESOS Award(s) and/or the number of the Shares/ESOS Options comprised in the ESOS Award(s) notwithstanding that no such adjustment formula has been explicitly set out in these By-Laws.
- 10. TAKE-OVERS AND MERGERS, SCHEMES OF ARRANGEMENT, AMALGAMATIONS, RECONSTRUCTIONS AND DISPOSAL OF ASSET**
- 10.1 In the event of:
- (i) a take-over offer being made, under the Malaysian Code on Take-Overs and Mergers 2016 and Rules on Take-Overs, Mergers and Compulsory Acquisitions (or any replacement thereof), to acquire the whole of the issued ordinary share capital of the Company (or such part thereof not at the time held by the person making the take-over ("Offeror") or any persons acting in concert with the Offeror);
 - (ii) the Offeror becoming entitled or bound to exercise the right of compulsory acquisition of the Shares under the provisions of any applicable statutes, rules and/or regulations and gives notice to the ESOS Participant(s) that it intends to exercise such rights on a specific date ("Specified Date"); or

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

- (iii) the Company disposes of all or substantially all of its assets and the disposal becomes unconditional;

the LTIP Committee may at its discretion to the extent permitted by law, permit the vesting of the ESOS Award(s) and the ESOS Participant(s) will be entitled, within such period to be determined by the LTIP Committee, to exercise all or any of his/her ESOS Award(s) and the Directors of the Company shall use their best endeavours to procure that such a general offer be extended to the new Shares that may be issued pursuant to the ESOS Award(s) under these By-Law.

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

- 10.2 Notwithstanding to the provisions of these By-Laws and subject to the sole discretion of the LTIP 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 Section 366 of the Act or its amalgamation with any other company or companies under Section 370 or any other provisions of the Act or the Company decided to merge with other company or companies, the LTIP Committee may at its absolute discretion decide whether an ESOS Participant(s) may be entitled to be vested and/or to exercise all or any of his/her unvested and/or unexercised ESOS Award(s) at any time commencing from the date upon which the compromise or arrangement is sanctioned by the court and ending on the date upon which it becomes effective PROVIDED ALWAYS THAT no ESOS Award(s) shall be exercised after the expiry of the ESOS Vesting Date. Upon the compromise or arrangement becoming effective, all unvested and/or unexercised ESOS Award(s) shall automatically lapse and become null and void and of no further force and effect.

11. DIVESTMENT FROM AND TRANSFER TO/FROM THE GROUP

- 11.1 If an ESOS Participant(s) is in the employment of a company within the Group and such company is subsequently divested, wholly or in part, from Betamek Group, the ESOS Participant(s):
- (i) shall cease to be capable of being vested with any unvested ESOS Award(s) awarded to him/her under the Scheme from the date of completion of such divestment or the Date of Expiry, whichever expires first;
 - (ii) will not be entitled to exercise any unexercised vested ESOS Options from the date of completion of such divestment, unless the LTIP Committee at its discretion permit such vesting of the unvested ESOS Award(s) including its allocation thereof. For avoidance of doubt, save and except to the extent permitted by the LTIP Committee, all existing ESOS Award(s) shall automatically lapse and become null and void and of no further force and effect; and
 - (iii) shall not be eligible to participate for further ESOS Award(s) under the Scheme as from the date of completion of such divestment.
- 11.2 For the purposes of **By-Law 11.1**, a company shall be deemed to be divested or disposed of from Betamek Group in the event that the effective interest of the Company in such company is reduced from above fifty percent (50%) to fifty percent (50%) or below so that such company would no longer be a subsidiary of the Company pursuant to Section 4 of the Act (other than pursuant to a takeover, scheme of arrangement, amalgamation, reconstruction, merger or otherwise as provided under the **By-Law 10**).

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

11.3 In the event that:

- (i) an employee who was employed in a company which is not related to the Company pursuant to Section 7 of the Act (that is to say, a company which does not fall within the definition of "Betamek Group") and is subsequently transferred from such company to any company within Betamek Group; or
- (ii) an employee who was in the employment of a company which subsequently becomes a company within Betamek Group as a result of a restructuring or acquisition exercise or otherwise involving the Company and/or any company within Betamek Group with any of the first mentioned company stated in (i) above;

(the first abovementioned company in (i) and (ii) 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 duration of the Scheme, 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 Betamek Group pursuant to part (ii) above as a subsidiary as defined in Section 4 of the Act or any other statutory regulation in place thereof during the duration of the Scheme, the Scheme shall apply to the employees and the Directors of such company on the date of such company becomes a subsidiary of Betamek 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.

12. WINDING UP

- 12.1 All outstanding ESOS Award(s) under the Scheme 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 vested in the ESOS Award(s) pursuant to the Scheme 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 vest the ESOS Award(s) pursuant to the Scheme shall accordingly be unsuspended.

13. DURATION AND TERMINATION OF THE SCHEME

- 13.1 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 but not limited to the following:
- (i) 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 checklist showing compliance with Appendix 6E of the Listing Requirements;
 - (ii) receipt of the approval from Bursa Securities for the listing of and quotation for the new Shares to be issued under the Scheme;
 - (iii) procurement of the Company's shareholders' approval for the Scheme;
 - (iv) receipt of the approval of any other relevant authorities whose approvals are necessary in respect of the Scheme; and
 - (v) fulfilment or waiver (as the case may be) of all conditions attached to any of the abovementioned approvals, if any.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

The Company shall through its Adviser submit a confirmation letter to Bursa Securities of full compliance with the relevant requirements of Bursa Securities 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 general meeting. The confirmation letter shall be submitted to Bursa Securities no later than five (5) Market Days after the Effective Date.

- 13.2 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 LTIP Committee, extend the Scheme for a maximum period of up to five (5) years, commencing from the day after the date of expiration of the original five (5) years period, and shall not in aggregate exceed ten (10) years from the Effective Date or such longer period as may be permitted by Bursa Securities or any other relevant authorities.

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 from the shareholders of the Company shall be required for the extension of the Scheme and the Company shall serve appropriate notices on each ESOS Participant(s) and/or make any necessary announcements to any parties and/or Bursa Securities (if required) within thirty (30) days prior to the Date of Expiry or such other period as may be stipulated by Bursa Securities.

- 13.3 ESOS Award(s) can only be made with effect from the Effective Date and up to 5:00 p.m. on the Date of Expiry.

- 13.4 Notwithstanding anything to the contrary, all unvested ESOS Award(s) and/or unexercised ESOS Options shall lapse and become null and void on the Date of Expiry.

- 13.5 Subject to compliance with the requirements of Bursa Securities and any other authorities, the Scheme may be terminated by the LTIP Committee at any time before the Date of Expiry provided that the Company makes an announcement immediately to Bursa Securities on the following:

- (i) the effective date of termination ("**Termination Date**");
- (ii) the number of ESOS Option(s) exercised pursuant to the LTIP; and
- (iii) the reasons for termination.

- 13.6 In the event of expiry or termination of the Scheme as stipulated in **By-Law 13.5**, the following provisions shall apply:

- (i) no further ESOS Award(s) shall be awarded by the LTIP Committee from the Termination Date;
- (ii) all ESOS Award(s) which have yet to be accepted by the Eligible Persons shall automatically lapse and become null and void on the Termination Date; and
- (iii) all ESOS Award(s) which have yet to be exercised shall automatically be deemed cancelled and be null and void on the Termination Date.

- 13.7 Subject to the requirements under the Listing Requirements, the approval or consent of the shareholders of the Company by way of a resolution in a general meeting and written consent of the ESOS Participant(s) who have yet to exercise their vested ESOS Options are not required to effect a termination of the Scheme.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

14. ADMINISTRATION AND IMPLEMENTATION OF THE SCHEME

- 14.1 The Scheme shall be administered by the LTIP Committee. The LTIP Committee shall comprise of representatives from the Board and/or any other officers or executives of the Company as may be appointed from time to time by the Board. The Board shall have the power to determine all matters pertaining to the LTIP Committee, including, without limitation, setting the terms of reference of the LTIP Committee, determining its composition, duties, powers and limitations. The LTIP Committee shall, subject to these By-Laws, administer the Scheme in such manner as it shall deem fit and with such powers and duties as are conferred upon it by the Board. The decision of the LTIP Committee shall be final and binding.
- 14.2 Without limiting the generality of **By-Law 14.1**, the LTIP Committee may, for the purpose of administering the Scheme, do all acts and things, rectify any error(s) in the ESOS Award(s), execute all documents and delegate any of its powers and duties relating to the Scheme as it may at its sole discretion consider to be necessary or desirable for giving effect to the Scheme including the powers to:
- (i) subject to the provisions of the Scheme, construe and interpret the Scheme and ESOS Award(s) awarded under it, to define the terms therein and to recommend to the Board establish, amend and revoke rules and regulations relating to the Scheme and its administration. The LTIP Committee in the exercise of this power may correct any defects, supply any omission, or reconcile any inconsistency in the Scheme or in any agreement providing for the ESOS Award(s) in a manner and to the extent it shall deem necessary to expedite and make the Scheme fully effective; and
 - (ii) determine all question of policy and expediency that may arise in the administration of the Scheme and generally exercise such powers and perform such acts as are deemed necessary and/or expedient to promote the best interests of the Company,
- and the decision of the LTIP Committee shall be final, binding and conclusive.
- 14.3 The Board shall have power at any time and from time to time to approve, rescind and/or revoke the appointment of any person in the LTIP Committee as it shall deem fit.

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

- 15.1 Subject to **By-Law 15.2**, compliance with the Listing Requirements and other requirements of Bursa Securities and any other relevant authorities, the LTIP Committee may at any time and from time to time recommend to the Board any additions, amendments, modifications or deletions to these By-Laws as it shall, at its sole discretion, deem fit. Further, 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 of the terms in the By-Laws upon such recommendation and subject to the Company submitting the amended By-Laws and a letter of compliance to Bursa Securities each time an amendment and/or modification is made, stating that the amendment and/or modification is in compliance with the provisions of the Listing Requirements and the Rules of Bursa Depository.
- 15.2 Subject to **By-Law 15.1**, the approval of the shareholders of the Company in a general meeting shall not be required in respect of any additions, amendments, modifications or deletions to these By-Laws save and except if such addition, amendment, modification and/or deletion would:
- (i) prejudice any rights which would have accrued to any ESOS Participant(s) without the prior consent or sanction of the ESOS Participant(s);
 - (ii) increase the number of the Shares available under the Scheme beyond the maximum amount set out in **By-Law 5**;
 - (iii) prejudice any rights of the shareholders of the Company; or

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

- (iv) alter to the advantage of an Eligible Person and/or ESOS Participant(s) in respect of any matters which are required to be contained in the By-Laws pursuant to the Listing Requirements, unless allowed by the provisions of the Listing Requirements.
- 15.3 Subject to the compliance with the Listing Requirements and any other relevant rules and regulations, the prior approval of Bursa Securities and/or any other relevant authorities is not required for any subsequent amendment or modification to these By-Laws. However, a letter of compliance together with the amended new By-Laws shall be submitted to Bursa Securities in the manner prescribed by the Listing Requirements, each time an amendment or modification is made, stating that the amendment or modification is in compliance with the provisions of the Listing Requirements pertaining to employee share option scheme and the Rules of Bursa Depository pursuant to Rule 2.12 of the Listing Requirements.
- 16. INSPECTION OF THE AUDITED FINANCIAL STATEMENTS**
- 16.1 All ESOS Participant(s) 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.
- 17. SCHEME NOT A TERM OF EMPLOYMENT**
- 17.1 This Scheme shall not confer or be construed to confer on an Eligible Person any special rights or privileges over the Eligible Person's terms and conditions of employment in Betamek Group under which the Eligible Person is employed nor any rights additional to any compensation or damages that the Eligible Person may be normally entitled to arising from the cessation of such employment. The Scheme shall not form part of or constitute or be in any way construed as a term or condition of employment of any Eligible Person.
- 18. NO COMPENSATION FOR TERMINATION**
- 18.1 No Eligible Person shall be entitled to any compensation for damages arising from the termination of the ESOS Award(s) or this Scheme pursuant to the provisions of these By-Laws.
- 18.2 Notwithstanding any provisions of these By-Laws:
 - (i) the rights of any Eligible Person under the terms of his/her office and/or employment with any company within Betamek Group shall not be affected by his/her participation in the Scheme, nor shall such participation or the ESOS Award(s) or consideration for the ESOS Award(s) afford such Eligible Person any additional rights to compensation or damages in consequence of the termination of such office or employment for any reason;
 - (ii) this Scheme shall not confer on any person any legal or equitable right or other rights under any other law (other than those constituting the ESOS Award(s)) against the Company or any company within Betamek Group, directly or indirectly, or give rise to any course of action in law or in equity or under any other law against any company within Betamek Group;
 - (iii) no ESOS Participant(s) or his/her personal or legal representative (as the case may be) shall bring any claim, action or proceeding against any company within Betamek Group, the LTIP Committee or any other party for compensation, loss or damages whatsoever and howsoever arising from the suspension/cancellation of his/her rights to his/her ESOS Award(s) or his/her ESOS Award(s) ceasing to be valid pursuant to the provisions of these By-Laws; and

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

- (iv) the Company (including any companies in the Group and its Directors, officers, employees, agents, affiliates and representatives), the Board (including Directors that had resigned but were on the Board during the duration of the Scheme) or the LTIP Committee shall in no event be liable to the ESOS Participant(s) or his/her personal or legal representative (as the case may be) or any other person or entity for any third party claim, loss of profits, loss of opportunity, loss of savings or any punitive, incidental or consequential damage, including without limitation lost profits or savings, directly or indirectly arising from the breach or non-performance of these By-Laws or any loss suffered by reason of any change in the price of the Shares or from any other cause whatsoever whether known or unknown, contingent, absolute or otherwise, whether based in contract, tort, equity, indemnity, breach of warranty or otherwise and whether pursuant to common law, statute, equity or otherwise, even if any company within Betamek Group, the Board or the LTIP Committee has been advised of the possibility of such damage.

19. DISPUTES

- 19.1 In case any dispute or difference shall arise between the LTIP Committee and an Eligible Person or an ESOS Participant or in the event of an appeal by an Eligible Person or an ESOS Participant, as the case may be, as to any matter of any nature arising hereunder, such dispute or appeal must have been referred to and received by the LTIP Committee during the duration of the Scheme. The LTIP Committee then 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 the ESOS Participant, as the case may be PROVIDED THAT where the dispute or appeal is raised by a member of the LTIP Committee, the said member shall abstain from voting in respect of the decision of the LTIP Committee in that instance.
- 19.2 In the event the Eligible Person or the ESOS Participant(s), as the case may be, shall dispute the LTIP Committee's decision by a written notice to the LTIP Committee within fourteen (14) days of the receipt of the decision, then such dispute or difference shall be referred to the Board, whose decision shall be final and binding in all respects, PROVIDED THAT any Director of the Company who is also in the LTIP Committee shall abstain from voting and no person shall be entitled to dispute any decision or certification which is stated to be final and binding under these By-Laws.
- 19.3 Notwithstanding anything herein to the contrary, any costs and expenses incurred in relation to any dispute or difference or appeal brought by any party to the LTIP Committee shall be borne by such party.
- 19.4 Notwithstanding the provisions of **By-Law 19.1**, matters concerning adjustments made pursuant to **By-Law 9** shall be referred to external auditors or the Adviser of the Company who shall act as experts and not as arbitrators and whose decision shall be final and binding in all respects.

20. COSTS AND EXPENSES

- 20.1 Unless otherwise stipulated by the Company in the ESOS Award(s), all fees, costs and expenses incurred in relation to the Scheme including but not limited to the fees, costs and expenses relating to the allotment and issuance of the Shares pursuant ESOS Award(s), shall be borne by the Company. Notwithstanding this, the ESOS Participant(s) shall bear any fees, costs and expenses incurred in relation to his/her acceptance of the ESOS Award(s) under the Scheme and any holding or dealing of the Shares after the Shares have been successfully issued and allotted to the ESOS Participant(s) pursuant to the ESOS Award(s), including but not limited to the opening and maintenance of his or her own CDS Account, brokerage commissions and stamp duties.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

21. CONSTITUTION

- 21.1 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 save and except where such provisions of the By-Laws are included pursuant to the Listing Requirements and/or any other regulatory requirements.

22. TAXES

- 22.1 For the avoidance of doubt, all other costs, fees, levies, charges and/or taxes (including, without limitation, income tax), if any, arising from the acceptance and vesting of the Shares pursuant to the ESOS Award(s) and any holding or dealing of such Shares (including but not limited to brokerage commissions and stamp duty) under the Scheme shall be borne by the ESOS Participant(s) for his own account and the Company shall not be liable for any one or more of such costs, fees, levies, charges and/or taxes.

23. LISTING OF AND QUOTATION FOR THE SHARES

- 23.1 An application will be made by the Company for the listing of and quotation for such new Shares to be issued pursuant to ESOS Award(s) on the ACE Market of Bursa Securities.
- 23.2 The Company and the LTIP Committee shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and however relating to the delay on the part of the Company in allotting and issuing the Shares or in procuring Bursa Securities to list the Shares for which the ESOS Participant(s) are entitled to.

24. NOTICE

- 24.1 Any notice under the Scheme required to be given to or served upon the LTIP Committee by an Eligible Person or ESOS Participant(s) or any correspondence to be made between an Eligible Person or ESOS Participant(s) to the LTIP Committee shall be given or made in writing and either delivered by hand or sent to the LTIP Committee or the Company by email or ordinary letter. Notwithstanding the foregoing, proof of posting shall not be evidence of receipt of the letter.
- 24.2 Any notice or request which the Company is required to give, or may desire to give, to any Eligible Person or the ESOS Participant(s) pursuant to the Scheme shall be in writing and shall be deemed to be sufficiently given:
- (i) if it is sent by ordinary post by the Company to the Eligible Person or the ESOS Participant(s) 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;
 - (ii) if it is delivered by hand to the Eligible Person or the ESOS Participant(s), such notice or request shall be deemed to have been received on the date of delivery; and
 - (iii) if it is sent by electronic media, including but not limited to electronic mail to the Eligible Person or the ESOS Participant(s), such notice or request shall be deemed to have been received by the recipient on the Market Day immediately following the day on which the electronic mail is sent or (in the case of communication by other digital means) on the Market Day immediately following the day on which such communication is effected.

Any change of address of the Eligible Person or the ESOS Participant(s) shall be communicated in writing to the Company by email or ordinary letter.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

- 24.3 Where any notice which the Company or the LTIP Committee is required to give, or may desire to give, in relation to matters which may affect all the Eligible Persons or all the ESOS Participant(s) (as the case may be) pursuant to the Scheme, the Company or the LTIP Committee may give such notice through an announcement to all employees of Betamek Group to be made in such manner deemed appropriate by the LTIP Committee (including via electronic media). Upon the making of such an announcement, the notice to be made under **By-Law 24.2** shall be deemed to be sufficiently given, served or made to all affected Eligible Persons or ESOS Participant(s), as the case may be.

25. SEVERABILITY

- 25.1 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.

26. DISCLOSURES IN ANNUAL REPORT

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

27. SUBSEQUENT LONG TERM INCENTIVE PLAN

- 27.1 Subject to the approval of Bursa Securities and other relevant authorities, the Company may establish a new long term incentive plan after the expiry date of this Scheme or upon termination of this Scheme.
- 27.2 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.

28. GOVERNING LAW AND JURISDICTION

- 28.1 The Scheme, these By-Laws, all ESOS Award(s) awarded and actions taken under the Scheme shall be governed by and construed in accordance with the laws of Malaysia.
- 28.2 The Eligible Persons, by accepting the ESOS Award(s) in accordance with these By-Laws and terms of the Scheme and the Constitution, irrevocably submit to the exclusive jurisdiction of the courts in Malaysia.

29. ESOS AWARD

- 29.1 During the duration of the Scheme as provided under **By-Law 13**, the LTIP Committee may, at its sole discretion, at any time and from time to time award the ESOS Award(s) in writing to an Eligible Person subject to the Maximum Allowable Allotment as set out in **By-Law 5** and further subject to other terms and conditions of these By-Laws. Each ESOS Award(s) awarded to selected Eligible Person(s) shall be separate and independent from any previous or subsequent ESOS Award(s) awarded by the LTIP Committee to that Eligible Person.
- 29.2 The actual number of ESOS Option(s) which may be awarded to an Eligible Person shall be at the discretion of the LTIP Committee, subject to any adjustments that may be made under **By-Law 9**. The number of the Shares which may be allotted and issued upon exercising the ESOS Option(s) shall not be less than one hundred (100) Shares nor more than the Maximum Allowable Allotment as set out in **By-Law 5** and shall be in multiples of one hundred (100) Shares. The LTIP Committee may stipulate any terms and conditions it deems appropriate in a ESOS Award(s) and the terms and conditions of each may differs.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

- 29.3 The LTIP Committee shall, in its ESOS Award letter to an Eligible Person, state, amongst others:
- (i) the number of ESOS Option(s) under the ESOS Award(s) that are being awarded to the Eligible Person;
 - (ii) the number of the Share(s) which the Eligible Person shall be entitled to subscribe for upon the exercise of the ESOS Option(s);
 - (iii) the ESOS Award Date;
 - (iv) the manner of acceptance of the ESOS Award(s);
 - (v) the Option Price;
 - (vi) the closing date for acceptance of the ESOS Award(s);
 - (vii) the vesting conditions of the ESOS Option(s) as determined by the LTIP Committee, if any;
 - (viii) the basis of the allocation of the ESOS Award(s) made having regard to the Eligible Person(s)' annual appraised performance, class or grade of employment, achievement of performance targets, Maximum Allowable Allotment, minimum period for which a ESOS Option must be held before it can be exercised (if any); and
 - (ix) ESOS Vesting Date(s); and
 - (x) any other terms and conditions deemed necessary by the LTIP Committee.
- 29.4 Without prejudice to **By-Law 14**, in the event the ESOS Award letter contains an error on the part of the Company in stating any of the particulars in **By-Law 29.3**, the following provisions shall apply:
- (i) as soon as possible but in any event no later than one (1) month after discovery of the error, the Company shall issue a supplemental ESOS Award letter, stating the correct particulars referred to in **By-Law 29.3**;
 - (ii) in the event that the error relates to particulars other than the Option Price, the Option Price applicable in the supplemental ESOS Award letter shall remain as the Option Price as per the original ESOS Award letter; and
 - (iii) in the event that the error relates to the Option Price, the applicable Option Price shall be the Option Price in the supplemental ESOS Award letter and with effect as at the date of the supplemental ESOS Award letter, save and except with respect to any ESOS Option(s) which have already been exercised as at the date of issue of the supplemental ESOS Award letter.
- 29.5 When an ESOS Award is made pursuant to these By-Laws, the LTIP Committee shall ensure that the Company makes an announcement of the following to Bursa Securities on the date of the ESOS Award:
- (i) the date of ESOS Award;
 - (ii) the Option Price;
 - (iii) the number of Shares offered;
 - (iv) the market price of the Shares on the date of the ESOS Award;

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

- (v) the number of Shares to each Director, if any; and
- (vi) the vesting period of the Shares offered, if any.

30. ACCEPTANCE

- 30.1 The ESOS Award(s) shall be valid for acceptance by the Eligible Person(s) for a period of thirty (30) days from the ESOS Award Date (inclusive) or such period as the LTIP Committee at its sole discretion on a case to case basis.
- 30.2 The ESOS Award(s) shall be accepted by an Eligible Person within the time as aforesaid by written notice to the Company accompanied by a nominal non-refundable payment to the Company of a sum of Ringgit Malaysia One (RM1.00) only, as acceptance of the ESOS Award(s).
- 30.3 The day of receipt by the Company of such written notice shall constitute the date of acceptance of ESOS Award(s).
- 30.4 If the ESOS Award(s) is not accepted in the manner as set out in **By-Law 30.2** and within the time as set out in **By-Law 30.1** or in the event of death or cessation of employment of the Eligible Person or the Eligible Person becomes a bankrupt prior to his/her acceptance of the ESOS Award(s), the ESOS Award(s) shall automatically lapse and become null and void. The ESOS Award(s) may, at the discretion of the LTIP Committee, be re-offered to other Eligible Person.
- 30.5 Upon acceptance of the ESOS Award(s) by the Eligible Person(s), the ESOS Award(s) will be vested to the ESOS Participant(s) on the ESOS Vesting Date(s) during the duration of the Scheme, subject to the ESOS Participant(s) fulfilling the vesting condition(s), if any, as determined by the LTIP Committee.

31. ESOS VESTING CONDITIONS AND EXERCISE OF OPTIONS

- 31.1 Subject to the provisions of these By-Laws, the ESOS Option(s) awarded to the ESOS Participant(s) are exercisable by that ESOS Participant(s) during his/her employment in Betamek Group during the duration of the Scheme. All unexercised ESOS Options shall become null and void after the expiry date of this Scheme without any claim against the Company or any company within Betamek Group.
- 31.2 The LTIP Committee shall, as and when it deems necessary, review and determine at its own discretion the vesting conditions specified in respect of the ESOS Award(s). The ESOS Option(s) can be exercised by the ESOS Participant(s) on the ESOS Vesting Date once the vesting conditions, if any, are fully and duly satisfied which includes amongst others, the following:
- (i) the ESOS Participant(s) must remain as an employee and shall not have given a notice to resign or receive a notice of termination on the ESOS Vesting Date; and
 - (ii) any other conditions which are determined by the LTIP Committee.
- 31.3 If applicable, where the LTIP Committee has determined that the vesting conditions have been fully and duly satisfied, the LTIP Committee shall notify the ESOS Participant(s) the number of ESOS Options vested or which will be vested to him/her on the ESOS Vesting Date ("ESOS Vesting Notice").
- 31.4 A ESOS Participant shall exercise his/her vested ESOS Option(s) by notice in writing to the Company in such form as the LTIP Committee may prescribe or approve. The procedure for the exercise of the ESOS Option(s) to be complied with by a ESOS Participant shall be determined by the LTIP Committee from time to time.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

-
- 31.5 Every written notice to exercise the ESOS Option(s) shall state the number of the Shares that a ESOS Participant intends to subscribe and shall state his CDS Account ("Notice of Exercise").
- 31.6 The ESOS Participant(s) shall complete the Notice of Exercise together with the remittance for the full amount of the subscription monies payable in respect thereof in Ringgit Malaysia in the form of a banker's draft or cashier's order drawn and payable in Malaysia or any other mode acceptable to the LTIP Committee for the full amount of the Option Price in relation to the number of the Shares in respect of which the Notice of Exercise is given and subject to the provisions of the Listing Requirements, the Central Depositories Act, the Rules of Bursa Depository, the Constitution and any other relevant laws, the Company shall within eight (8) Market Days from the date of receipt of the Notice of Exercise or such other period as may be prescribed or allowed by Bursa Securities,
- (i) allot and issue such number of new Shares to the ESOS Participant(s) (subject to absolute discretion of the LTIP Committee);
 - (ii) despatch a notice of allotment to the ESOS Participant, if applicable; and
 - (iii) apply for quotation of such new Shares.
- 31.7 The Shares arising from the exercising of the ESOS Award(s) shall be credited directly to the CDS Account of the ESOS Participant(s) and no physical share certificate will be issued and delivered to the ESOS Participant(s). The ESOS Participant(s) shall provide the LTIP Committee with his/her CDS Account number when accepting the ESOS Award(s). Any change to the ESOS Participant(s)' CDS Account number will need to be made in writing to the LTIP Committee.
- 31.8 Any failure to comply with the procedures specified by the LTIP 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 sole discretion of the LTIP Committee. The LTIP Committee shall inform the ESOS Participant of the rejection of the Notice of Exercise within five (5) Market Days from the date of rejection and the ESOS Participant shall then be deemed not to have exercised his/her ESOS Option(s).
- 31.9 The LTIP Committee may with its power under **By-Law 14**, at any time and from time to time, before and after the ESOS Award(s) is awarded, limit the exercise of the ESOS Options to a maximum number of Shares and/or such percentage of the total Shares comprised in the ESOS Options and impose any other terms and/or conditions deemed appropriate by the LTIP Committee in its sole discretion including amending or varying any terms and conditions imposed earlier.
- 31.10 A ESOS Participant shall exercise the ESOS Option(s) awarded to him/her in whole or part multiples of one hundred (100) new Shares or such other units of the Shares constituting one (1) board lot as may be determined by the LTIP Committee, save and except where a ESOS Participant's balance of ESOS Option(s) exercisable in accordance with these By-Laws shall be less than one hundred (100) new Shares or such other units of the Shares constituting one (1) board lot as may be determined by the LTIP Committee, in which case the said balance shall, if exercised, be exercised in a single tranche. Such partial exercise of an ESOS Option shall not preclude the ESOS Participant from exercising the ESOS Option(s) as to the balance of any ESOS Option(s).
- 31.11 Notwithstanding anything contrary contained in these By-Laws, the LTIP Committee shall have the right, at its sole discretion by notice in writing to the relevant ESOS Participant(s) to that effect, to suspend the right of any ESOS Participant(s) 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 ESOS Participant or are found to have had no basis or justification) to exercise his/her ESOS Option(s) pending the outcome of such disciplinary proceedings.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

31.12 In addition to the right to suspend, the LTIP Committee may impose such terms and conditions as the LTIP Committee shall deem appropriate at its sole discretion, on the ESOS Participant's right to exercise his/her ESOS Option(s) having regard to the nature of the charges made or brought against such ESOS Participant, PROVIDED ALWAYS THAT:

- (i) in the event such ESOS Participant is found not guilty of the charges which gave rise to such disciplinary proceedings, the LTIP Committee shall reinstate the right of such ESOS Participant to exercise his/her ESOS Option(s);
- (ii) in the event the disciplinary proceedings result in a recommendation for the dismissal or termination of service of such ESOS Participant, all unexercised and partially exercised ESOS Option(s) of the ESOS Participant shall immediately lapse and become null and void and of no further force and effect, without notice to the ESOS Participant, upon pronouncement of the dismissal or termination of service of such ESOS Participant notwithstanding that such recommendation, dismissal and/or termination of service may be subsequently challenged or disputed by the ESOS Participant in any other forum; or
- (iii) in the event the ESOS Participant is found guilty but no dismissal or termination of service is recommended, the LTIP Committee shall have the right to determine at its sole discretion whether or not the ESOS Participant may continue to exercise his/her ESOS Option(s) or any part thereof and if so, to impose such terms and conditions as it deems appropriate, on such exercise right.

and nothing herein shall impose any obligations on the LTIP Committee to enquire into or investigate the substantiveness and/or validity of such disciplinary proceedings and the LTIP Committee shall not under any circumstances be held liable for any costs, losses, expenses, damages or liabilities, gains or profits foregone, arising from the LTIP Committee's exercise of or failure to exercise any of its rights under these By-Laws.

32. NON-TRANSFERABILITY

32.1 An ESOS Award(s) is personal to the Eligible Person(s) and shall be accepted solely by that Eligible Person(s) and is not capable of being accepted by any third party on behalf of that Eligible Person(s), by his/her representative or any other persons.

32.2 Subject to the provisions in these By-Laws, an ESOS Award(s) is personal to the ESOS Participant(s) during his/her employment or appointment within Betamek Group and it shall not be transferred, assigned or disposed of by the ESOS Participant(s).

33. OPTION PRICE

33.1 Subject to any adjustments in accordance with **By-Law 9** and pursuant to the Listing Requirements, the Option Price shall be based on a price to be determined by the Board upon recommendation of the LTIP Committee which will be based on the volume weighted average price of the Shares for the five (5) Market Days immediately preceding the ESOS Award Date with a discount of not more than ten percent (10%) or such other percentage of discount as may be permitted by Bursa Securities or any other relevant authorities from time to time during the duration of the Scheme.

33.2 The Option Price as determined by the LTIP Committee shall be binding and conclusive on the ESOS Participants.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

34. TERMINATION OF ESOS AWARD(S)

34.1 Prior to the full vesting of any ESOS Award(s) in the manner as provided for under **By-Law 31.3**, such ESOS Award(s) that remain unvested shall be automatically terminated and cease or be deemed to cease to be valid without any claim against the Company in the following circumstances:

- (i) termination or cessation of employment of the ESOS Participant(s) within Betamek Group for any reasons whatsoever, in which event the ESOS Award(s) shall be automatically terminated and cease or be deemed to cease to be valid without any claim against the Company or any company within Betamek Group on the day the ESOS Participant(s)' employer accepts his/her notice of resignation or the ESOS Participant(s)' employer notifies the ESOS Participant(s) of termination of his/her employment or on the day the ESOS Participant(s) notifies his/her employer of his/her resignation or on the ESOS Participant(s)' last day of employment, whichever is the earlier;
- (ii) bankruptcy of the ESOS Participant(s), in which event the ESOS Award(s) shall be automatically terminated and cease or be deemed to cease to be valid without any claim against the Company or any company within Betamek Group on the date a receiving order is made against the ESOS Participant(s) by a court of competent jurisdiction;
- (iii) upon the happening of any other event which results in the ESOS Participant(s) being deprived of the beneficial ownership of the ESOS Award(s), in such event the ESOS Award(s) shall be automatically terminated and cease or be deemed to cease to be valid without any claim against the Company or any company within Betamek Group on the date such event occurs;
- (iv) winding up or liquidation of the Company, in such event the ESOS Option(s) shall be automatically terminated on the following date:
 - (a) in the case of a voluntary winding up, the date on which a provisional liquidator is appointed by the Company; or
 - (b) in the case of an involuntary winding up, the date on which a petition for winding up is served on the Company; or
- (v) termination of the Scheme pursuant to **By-Law 13.5**, in such event the ESOS Award(s) shall be automatically terminated and cease or be deemed to cease to be valid without any claim against the Company or any company within Betamek Group on the termination date;

whichever shall be applicable.

34.2 Upon the termination of the ESOS Award(s) pursuant to **By-Law 34.1**, the ESOS Participant(s) shall have no right to compensation or damages or any claim against the Company or any company within Betamek Group from any loss of any right or benefit or prospective right or benefit under the Scheme which he/she might otherwise have enjoyed, whether for wrongful dismissal or breach of contract or loss of office or otherwise howsoever arising from him/her ceasing to hold office or employment or from the suspension of his/her entitlement to the award of, acceptance or vesting of any ESOS Award(s) or his/her ESOS Award(s) ceasing to be valid.

DRAFT BY-LAWS OF THE PROPOSED LTIP (CONT'D)

- 34.3 Notwithstanding **By-Law 34.1**, the LTIP Committee may at its discretion allow a ESOS Participant to continue to hold and to exercise any ESOS Option(s) held by him/her in accordance with the provisions of these By-Laws on such terms and conditions as it shall deem fit if the cessation of employment occurs as a result of:
- (i) retirement upon or after attaining the age in accordance with the Company's retirement policy;
 - (ii) retirement before attaining the normal retirement age with the consent of his/her employer;
 - (iii) ill-health, injury, physical or mental disability;
 - (iv) redundancy, retrenchment pursuant to the acceptance by that ESOS Participant(s) or voluntary separation scheme offered by a company within Betamek Group; or
 - (v) any other circumstances as may be deemed as acceptable to the LTIP Committee in its sole discretion.
- 34.4 Applications under **By-Law 34.3** shall be made during the duration of the Scheme and:
- (i) in a case where **By-Law 34.3(i), (ii) or (v)** is applicable, within one (1) month before the ESOS Participant(s)' last day of employment, the ESOS Participant(s) may be vested with such number of unvested Shares under the ESOS Award(s) within the said one (1) month period. In the event that no application is received by the LTIP Committee within the said period, any such number of unvested Shares under the ESOS Award(s) at the expiry of the said period shall be automatically terminated;
 - (ii) in a case where **By-Law 34.3(iii)** is applicable, within one (1) month after the ESOS Participant(s) notifies his/her employer of his/her resignation due to ill-health, injury, physical or mental disability, the ESOS Participant(s) may be vested with such number of unvested Shares under the ESOS Award(s) within the said one (1) month period. In the event that no application is received by the LTIP Committee within the said period, any unvested Shares under the ESOS Award(s) at the expiry of the said period shall be automatically terminated; and
 - (iii) in a case where **By-Law 34.3(iv)** is applicable, within one (1) month after the ESOS Participant(s) are notified that he/she will be retrenched or, where he/she is given an offer by his/her employer as to whether he/she wishes to accept retrenchment upon certain terms, within one (1) month after he/she accepts such offer. Thereafter, any such number of unvested and/or unexercised Shares under the ESOS Award(s) at the expiry of the said period shall be automatically terminated.
- 34.5 The LTIP Committee shall consider applications under **By-Law 34.3** on a case to case basis and may at its sole discretion approve or reject any application in whole or in part without giving any reasons thereof and may impose any terms and conditions in granting an approval. The decisions of the LTIP Committee shall be final and binding. In the event the LTIP Committee approves an application in whole or in part, the ESOS Participant(s) may exercise the ESOS Option(s) which are the subject of the approval for such period so approved by the LTIP Committee during the duration of the Scheme and subject to the provisions of **By-Law 31**. Any ESOS Option(s) in respect of which an application is rejected shall be deemed automatically terminated on the date of termination stipulated in the relevant paragraph of **By-Law 34.1** or on the date of the LTIP Committee's decision, whichever is the later.
- 34.6 In the event an ESOS Participant(s) dies before the expiration of the duration of the Scheme and at the time of his/her death held unexercised ESOS Option(s), such unexercised ESOS Option(s) may be exercised by the representative of the deceased ESOS Participant(s) after the date of his/her death PROVIDED THAT such exercise shall be within the duration of the Scheme subject to the approval of the LTIP Committee.

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. CONSENT AND DECLARATION OF CONFLICT OF INTEREST

CGS MY, being the Principal Adviser for the Proposed LTIP, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

Further, CGS MY hereby declares that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Principal Adviser for the Proposed LTIP.

3. MATERIAL LITIGATION

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

4. MATERIAL COMMITMENTS

Save as disclosed below, as at the LPD, there are no material commitments incurred or known to be incurred by the Group, which upon becoming enforceable, may have a material impact on the business or financial position of the Group:

	RM'000
Contracted but not provided for:	
▪ Property, plant and equipment	742
▪ Research and development	6,593
	7,335

5. CONTINGENT LIABILITIES

As at the LPD, there are no contingent liabilities incurred or known to be incurred, which upon becoming enforceable, may have a material impact on the business or financial position of the Group.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of Betamek at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan, Malaysia, during normal business hours (except public holidays) from the date of this Circular up to and including the date of the EGM of Betamek:

- (i) the Constitution;
- (ii) the audited consolidated financial statements of Betamek for the past 2 FYEs 31 March 2024 and 2025 as well as the latest unaudited quarterly results of Betamek for the financial period ended 30 June 2025;
- (iii) the letter of consent as referred to in Section 2 above; and
- (iv) the draft By-laws as referred to in Appendix I of this Circular.



BETAMEK

BETAMEK BERHAD

(Registration No. 202101041577 (1441877-P))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("**EGM**" or "**Meeting**") of Betamek Berhad ("**Betamek**" or "**Company**") will be held at Nice Banquet Hall, No 6, Jalan BJ 1, Taman Belmas Johan, 48000 Rawang, Selangor Darul Ehsan, Malaysia on Thursday, 28 August 2025 at 11.00 a.m. or immediately following the conclusion or adjournment of the Fourth Annual General Meeting of Betamek to be held at the same venue and on the same date at 10:00 a.m., whichever is later, for the purpose of considering and, if thought fit, passing the following ordinary resolutions, with or without any modifications:

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF A LONG TERM INCENTIVE PLAN COMPRISING AN EMPLOYEES' SHARE OPTION SCHEME OF UP TO 30% OF THE TOTAL NUMBER OF ISSUED SHARES OF BETAMEK (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT IN TIME DURING THE DURATION OF THE SCHEME FOR THE ELIGIBLE DIRECTORS AND EMPLOYEES OF BETAMEK AND ITS NON-DORMANT SUBSIDIARY COMPANIES ("BETAMEK GROUP" OR "GROUP") ("PROPOSED LTIP" OR "SCHEME")

"THAT subject to the approvals of all relevant authorities (where required) being obtained, and to the extent permitted by law and the Constitution of Betamek ("**Constitution**"), the Board of Directors of Betamek ("**Board**") be and is hereby authorised to:

- (i) establish, implement and administer the Proposed LTIP of up to 30% of the total number of issued shares of Betamek (excluding treasury shares, if any) at any point in time during the duration of the Scheme for the eligible directors (executive and non-executive) and employees of the Group ("**Eligible Persons**") in accordance with the provisions of the by-laws governing the Proposed LTIP ("**By-Laws**"), a draft of which is set out in Appendix I of the circular to shareholders of Betamek dated 29 July 2025 ("**Circular**"), and to give full effect to the Proposed LTIP with full power to assent to any conditions, variations, modifications and/or amendments as may be required by the relevant authorities;
- (ii) allot and issue from time to time such number of ordinary shares in Betamek ("**Betamek Shares**" or "**Shares**") to the Eligible Persons upon exercising of the share options awarded in writing to the Eligible Persons ("**ESOS Options**") to subscribe for new Shares at the prescribed option price, subject to the terms and conditions of the By-Laws ("**ESOS Awards**") pursuant to the Proposed LTIP, provided that the maximum number of the Shares which may be made available under the Proposed LTIP shall not in aggregate exceed 30% of the total number of issued shares of Betamek (excluding treasury shares, if any) at any point in time during the duration of the Proposed LTIP;
- (iii) the new Shares to be allotted and issued pursuant to the Proposed LTIP will, upon allotment and issuance, rank equally in all respects with the existing Shares, save and except that they will not be entitled to any dividends, rights, allotments and/or any other forms of distributions, where the entitlement date precedes the relevant date of allotment and issuance of the new Shares. The new Shares will be subject to the provisions of the Constitution;
- (iv) add, amend, modify and/or delete all or any part of the terms and conditions as set out in the By-Laws governing the Scheme from time to time provided that such additions, amendments, modifications and/or deletions are effected in accordance with the provisions of the By-Laws, and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Proposed LTIP;

- (v) extend the duration of the Proposed LTIP, provided always that such extension of the Proposed LTIP made pursuant to the By-Laws shall not in aggregate exceed a duration of 10 years from the date on which the Proposed LTIP shall take effect following full compliance of all relevant requirements or such longer period as may be permitted by Bursa Securities or any other relevant regulatory authorities from time to time without having to obtain any further sanction, approval, consent or authorisation of the shareholders of the Company in a general meeting; and
- (vi) do all things necessary and make the necessary applications to Bursa Securities for the listing of and quotation for the new Shares that may, hereafter from time to time, be issued pursuant to the Proposed LTIP.

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

THAT the pre-emptive rights of the existing shareholders of Betamek to be offered new Shares in proportion to their shareholding in Betamek pursuant to Section 85(1) of the Companies Act 2016 and Clause 63 of the Constitution be and is hereby waived in respect of the new Shares to be issued pursuant to the Proposed LTIP.

AND THAT the draft By-Laws as set out in Appendix I of the Circular and which is in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**"), be and is hereby approved and adopted."

ORDINARY RESOLUTIONS 2 TO 7

PROPOSED ALLOCATION OF ESOS AWARDS TO THE ELIGIBLE DIRECTORS OF BETAMEK UNDER THE PROPOSED LTIP

"THAT subject to the passing of Ordinary Resolution 1 above and the approvals of the relevant authorities (where required) being obtained for the Proposed LTIP, the Board be and is hereby authorised at any time and from time to time during the duration of the Proposed LTIP, to award such number of ESOS Options to the following persons, subject to the provisions of the By-Laws of the Proposed LTIP:

No.	Name	Designation	Ordinary resolutions
(i)	Ahmad Subri bin Abdullah	Independent Non-Executive Chairman	Resolution 2
(ii)	Mirzan bin Mahathir	Managing Director	Resolution 3
(iii)	Muhammad Fauzi bin Abd Ghani	Executive Director	Resolution 4
(iv)	Azlina binti Abdul Aziz	Independent Non-Executive Director	Resolution 5
(v)	Yap Suan See	Independent Non-Executive Director	Resolution 6
(vi)	Mohd Shahrman bin Mohd Sidek	Independent Non-Executive Director	Resolution 7

provided always that:

- (a) the abovementioned persons must not participate in the deliberation and/or discussion of their own respective allocations as well as that of the persons connected with them, if any, under the Proposed LTIP; and
- (b) not more than 10% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) of the total number of issued shares of Betamek made available under the Scheme shall be allocated to any Eligible Person who, either singly or collectively through persons connected (as defined in the Listing Requirements) with the Eligible Person, holds 20% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) or more of the total number of issued shares of Betamek (excluding treasury shares, if any),

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

AND THAT the Board be further authorised to issue such number of Shares pursuant to the Proposed LTIP, from time to time, to the abovementioned persons."

By Order of the Board

LIM SECK WAH

Membership No.: MAICSA 0799845

SSM Practicing Certificate No.: 202008000054

KONG MEI KEE

Membership No.: MAICSA 7039391

SSM Practicing Certificate No.: 202008002882

Company Secretaries

Kuala Lumpur

29 July 2025

Notes:

1. In respect of deposited securities, only members whose names appear in the Company's Record of Depositors as at 21 August 2025 shall be eligible to attend, participate, speak and vote at this meeting or appoint proxy(ies) to attend, participate, speak and vote on his/her behalf.
2. A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint not more than 2 proxies, and in the case of a corporation, a duly authorised representative to attend and vote in its stead.
3. A proxy may but need not be a member of the Company. Where a member appoints more than 1 proxy, he shall specify the proportions of his shareholdings to be represented by each proxy.
4. Where a member of the Company is an 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. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised in writing.
6. The original instrument appointing a proxy ("**Form of Proxy**") must be deposited at the Company's Share Registrar's Office at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than 48 hours before the time set for holding the EGM or at any adjournment thereof.
7. If you have submitted your Form(s) of Proxy and subsequently decide to appoint another person or wish to attend our EGM by yourself, please write in to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointed proxy 48 hours before this meeting.
8. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of EGM will be put to vote by way of poll.

Personal Data Privacy:-

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms pursuant to Personal Data Protection Act, 2010.



BETAMEK

BETAMEK BERHAD

(Registration No. 202101041577 (1441877-P))
(Incorporated in Malaysia)

FORM OF PROXY

No. of Shares held	
CDS Account No.	

I/We, _____ NRIC/Registration No. _____
(Full name in block letters)

of _____
(Full address)

and telephone/mobile no. _____ email address _____

being a member of **BETAMEK BERHAD**, hereby appoint _____
(Full name in block letters)

NRIC/Passport No. _____ of _____
(Full address)

and telephone/mobile no. _____ email address _____

or failing him/her, _____ NRIC/Passport No. _____ of
(Full name in block letters)

_____ (Full address)
and telephone/mobile no. _____ email address _____

or failing him/her, *the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Extraordinary General Meeting (“**EGM**” or “**Meeting**”) of Betamek Berhad (the “**Company**”) to be held at Nice Banquet Hall, No 6, Jalan BJ 1, Taman Belmas Johan, 48000 Rawang, Selangor Darul Ehsan, Malaysia on Thursday, 28 August 2025 at 11:00 a.m. or immediately following the conclusion or adjournment of the Fourth Annual General Meeting of Betamek to be held at the same venue and on the same date at 10:00 a.m., whichever is later, on the following resolutions referred to in the Notice of EGM.

* Please delete the words “the Chairman of the meeting” if you wish to appoint some other person to be your proxy.

My/Our proxy is to vote as indicated below:

RESOLUTIONS	*FOR	*AGAINST
Ordinary Resolution 1 - Proposed LTIP		
Ordinary Resolution 2 - Proposed allocation of ESOS Awards to Ahmad Subri bin Abdullah		
Ordinary Resolution 3 - Proposed allocation of ESOS Awards to Mirzan bin Mahathir		
Ordinary Resolution 4 - Proposed allocation of ESOS Awards to Muhammad Fauzi bin Abd Ghani		
Ordinary Resolution 5 - Proposed allocation of ESOS Awards to Azlina binti Abdul Aziz		
Ordinary Resolution 6 - Proposed allocation of ESOS Awards to Yap Suan See		
Ordinary Resolution 7 - Proposed allocation of ESOS Awards to Mohd Shahrman bin Mohd Sidek		

Subject to the abovestated voting instructions, my/our proxy/proxies may vote or abstain from voting on any resolutions as *he/*she/*they may think fit.

Signed this _____ day of _____ 2025

Signature of Member(s)^

The proportion of my/our shareholdings to be represented by my/our proxies are as follows:-

	Percentage
First Proxy	%
Second Proxy	%
Total	100%



^ Manner of execution:-

- (a) If you are an individual member, please sign where indicated.
- (b) If you are a corporate member which has a common seal, this Form of Proxy should be executed under seal in accordance with the Constitution of your corporation.
- (c) If you are a corporate member which does not have a common seal, this Form of Proxy should be affixed with the rubber stamp of your corporation (if any) and executed by:-
 - (i) at least 2 authorised officers, of whom one shall be a director; or
 - (ii) any Director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:

- 1. In respect of deposited securities, only members whose names appear in the Company's Record of Depositors as at 21 August 2025 shall be eligible to attend, participate, speak and vote at this meeting or appoint proxy(ies) to attend, participate, speak and vote on his/her behalf.
- 2. A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint not more than 2 proxies, and in the case of a corporation, a duly authorised representative to attend and vote in its stead.
- 3. A proxy may but need not be a member of the Company. Where a member appoints more than 1 proxy, he shall specify the proportions of his shareholdings to be represented by each proxy.
- 4. Where a member of the Company is an 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. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised in writing.
- 6. The original instrument appointing a proxy ("**Form of Proxy**") must be deposited at the Company's Share Registrar's Office at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than 48 hours before the time set for holding the EGM or at any adjournment thereof.
- 7. If you have submitted your Form(s) of Proxy and subsequently decide to appoint another person or wish to attend our EGM by yourself, please write in to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointed proxy 48 hours before this meeting.
- 8. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of EGM will be put to vote by way of poll.

Personal Data Privacy:-

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms pursuant to Personal Data Protection Act, 2010.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

BETAMEK BERHAD
(Registration No. 202101041577 (1441877-P))

c/o Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

1st fold here

