

ANNEXURE B: BY-LAWS GOVERNING THE LTIP

SKYECHIP BERHAD
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	: Companies Act 2016
Adviser	: A person who is permitted to carry on the regulated activity of advising corporate finance under the CMSA, which includes a Principal Adviser as defined in the Securities Commission Malaysia's Licensing Handbook (Chapter 7A)
Award Letter	: A letter of offer to Eligible Person(s) issued pursuant to an offer made by the LTIP Committee under the By-Laws
Board	: The Board of Directors of the Company
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W))
Bursa Securities	: Bursa Malaysia Securities Berhad (200301033577 (635998-W))
By-Laws	: The rules, terms and conditions of the Scheme (as may be modified, varied and/or amended from time to time)
CDS	: Central Depository System
CDS Account	: An account established by Bursa Depository for a depositor for the recording of deposits and withdrawal of securities and for dealings in such securities by a depositor
Central Depositories Act	: The Securities Industry (Central Depositories) Act 1991, as amended from time to time including all subsidiary legislations made thereunder and any re-enactment thereof
CMSA	: Capital Markets and Services Act 2007
Constitution	: The constitution of the Company, including any amendments thereto that may be made from time to time
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) If such date is not a Market Day, then it shall be the Market Day immediately preceding the said non-Market Day, but excluding those days during that period on which the Record of Depositors is closed
Director	: A natural person who holds a directorship in the Company, whether in an executive or non-executive capacity, within the meaning of subsection 2(1) of the CMSA
Effective Date	: The date on which the Scheme comes into force as provided in By-Law 13.1

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Eligible Director(s)	:	Executive Directors of the Group
Eligible Person(s)	:	The Eligible Director(s) and employees of the Group (excluding dormant subsidiaries, if any) who fulfil the eligibility criteria for participation in the LTIP as set out in the By-Laws
Employee	:	A natural person who is employed by and on the payroll of the Company or any company within the Group (excluding dormant subsidiaries)
Entitlement Date	:	The date as at the close of business on which shareholders' names must appear in the record of depositors of the Company maintained at Bursa Depository in order to be entitled to any dividends, rights, allotments and/or other distributions
ESIS	:	Employee share issuance scheme as stipulated in Section 1 of these By-Laws
ESIS Award(s)	:	The award of such number of SkyeChip Shares under the ESIS, to be satisfied through the allotment and issuance of new Shares to the Trustee and subsequently transferred to an Eligible Person(s) in the manner and subject to the terms and conditions provided in these By-Laws
ESIS Award Date(s)	:	The date of the Award Letter in which an ESIS Award(s) is awarded to any Eligible Person(s) pursuant to the ESIS Award made by the LTIP Committee
ESIS Participant(s)	:	Eligible Person(s) who has accepted ESIS Award(s) in the manner provided in By-Law 30
ESIS Share(s)	:	New SkyeChip Share(s) to be allotted and issued to the Trustee that have been subscribed for by the Trustee pursuant to the ESIS
ESIS Vesting Date(s)	:	The date upon which all or any parts of the SkyeChip Shares awarded to ESIS Participant(s) are eligible to be vested upon fulfilment of all terms and Vesting Conditions, if any, as determined by the LTIP Committee
ESOS	:	Employees' share option scheme as stipulated in Section 2 of these By-Laws
ESOS Award(s)	:	The award of such number of ESOS Option(s) to an Eligible Person(s) to subscribe for the SkyeChip Shares at the Exercise Price in the manner and subject to the terms and conditions provided in these By-Laws
ESOS Award Date(s)	:	The date of which an ESOS Award(s) is awarded to an Eligible Person(s) pursuant to a LTIP Award letter
ESOS Option(s)	:	The right of ESOS Participant(s) to subscribe for the SkyeChip Share(s) at the Exercise Price in the manner provided in By-Law 36
ESOS Participant(s)	:	Eligible Person(s) who has accepted the ESOS Award(s) in the manner provided in By-Law 35

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ESOS Vesting Date(s)	: The date upon which all or any part of the ESOS Options awarded to ESOS Participant(s) are eligible to be vested and are entitled to exercise the ESOS Options upon fulfilment of all terms and Vesting Conditions, if any, as determined by the LTIP Committee
Exercise Price	: The price at which ESOS Participant(s) shall be entitled to subscribe for the SkyeChip 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 38
Listing Requirements	: Main Market Listing Requirements of Bursa Securities including all amendments thereto and any Practice Notes issued in relation thereto
LTIP	: Long-term incentive plan comprising the ESIS and the ESOS as stipulated in these By-Laws
LTIP Award(s)	: The ESIS Award(s) and/or the ESOS Award(s), as the case may be
LTIP Award Date(s)	: The ESIS Award Date(s) and/or the ESOS Award Date(s), as the case may be
LTIP Award Vesting Date(s)	: The ESIS Vesting Date(s) and/or the ESOS Vesting Date(s), as the case may be
LTIP Committee	: The committee appointed by the Board to administer the Scheme in accordance with By-Law 14, comprising such number of the Directors and/or Senior Management Personnel of the Group identified from time to time
LTIP Participant(s)	: The ESIS Participant(s) and/or the ESOS Participant(s), as the case may be
LTIP Scheme or Scheme	: LTIP for the LTIP Award(s) to any Eligible Person(s) in accordance with these By-Laws
Market Day	: A day on which Bursa Securities is open for trading in securities
Maximum Allowable Allotment	: The maximum number of SkyeChip Shares in respect of the LTIP Award(s) that can be made available to an Eligible Person(s) as set out in By-Law 5 hereof
Record of Depositors	: A record provided by Bursa Depository to a listed issuer under Chapter 24 of the Rules of Bursa Securities, including any amendment that may be made from time to time
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
Senior Management Personnel	: Senior management personnel of the Group who fulfil the eligibility criteria for participation in the ESIS as set out in the By-Laws

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SkyeChip 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
SkyeChip or the Company	: SkyeChip Berhad (201901014484 (1323812-D))
SkyeChip Share(s) or Share(s)	: Ordinary share(s) in SkyeChip
Trust	: The trust established to facilitate the implementation of the LTIP
Trust Deed	: The trust deed constituting the Trust
Trustee	: The trustee for the time being appointed to be the trustee for the LTIP pursuant to By-Law 14.5
Vesting Conditions	: The conditions which are required to be fulfilled by a LTIP Participant(s) before the ESOS Option(s) and/or ESIS Award(s) is capable of being vested onto the LTIP Participant(s) pursuant to the terms of these By-Laws

1.2 In this By-Laws:

- (i) any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision and Listing Requirements and any policies and/or guidelines of the 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 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 LTIP Award(s) awarded and 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) 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;
- (v) the heading in these By-Laws are for convenience only and shall not be taken into account in the interpretation of these By-Laws;
- (vi) for the purpose of these By-Laws, "person connected" shall have the meaning as defined in Paragraph 1.01 of the Listing Requirements;
- (vii) 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;

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- (viii) any reference to the Company and/or other person shall include a reference to its successors-in-title and permitted assigns; and
- (ix) unless otherwise stated herein and whenever applicable, the currency adopted for any matter referred to in this By-Laws is RM and sen, being the lawful currency of Malaysia.

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Unless otherwise expressly provided, the provisions of Part A shall apply generally to the ESIS and the ESOS.

2. NAME AND OBJECTIVE OF SCHEME

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

2.2 The objectives of the Scheme are as follows:

- (i) to recognise the contribution of the Eligible Persons whose services are valued and considered vital to the operations and continued growth of the Group;
- (ii) to provide an incentive to drive and motivate the Eligible Persons towards improved performance through greater productivity and loyalty;
- (iii) to inculcate a greater sense of belonging and dedication as the Eligible Persons are given the opportunity to participate directly in the equity of the Company; and
- (iv) to reward the Eligible Persons by allowing them to participate in the Group's profitability and eventually realise any potential capital gains arising from possible appreciation in the value of SkyeChip Shares.

3. MAXIMUM NUMBER OF NEW SKYECCHIP SHARES AVAILABLE UNDER THE SCHEME

3.1 The maximum number of new SkyeChip Shares which may be made available under the Scheme shall not in aggregate exceed 15% of the total number of issued SkyeChip Shares (excluding treasury shares, if any) at any point of time during the duration of the Scheme as provided in By-Law 13.2.

3.2 Notwithstanding the provision of By-Law 3.1 above and any other provisions contained herein, in the event the total number of the SkyeChip Shares that may be made available under the Scheme exceeds 15% of the total number of issued SkyeChip Shares (excluding treasury shares, if any) as a result of the Company purchasing, cancelling and/or reducing the SkyeChip Shares in accordance with the provisions of the Act or the Company undertaking any corporate proposal and thereby diminishing the total number of issued SkyeChip Shares, then such LTIP Award(s) awarded prior to the adjustment of the issued SkyeChip Shares (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 any further LTIP Award(s) until the total number of SkyeChip Shares under the subsisting LTIP Award(s) falls below 15% of the total number of issued SkyeChip Shares (excluding treasury shares, if any).

3.3 Notwithstanding the above, the Company may implement more than one (1) LTIP during the duration of this Scheme provided that the aggregate SkyeChip Shares available for issuance under all the share issuance schemes implemented by the Company are not more than 15% of the total number of issued SkyeChip Shares (excluding treasury shares, if any) at any one time or such lower or higher limit in accordance with any prevailing guidelines issued by Bursa Securities or any other relevant authorities as amended from time to time.

4. ELIGIBILITY

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

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- (a) in respect of a director of the Group, he/she:
- (i) has attained the age of 18 years and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (ii) has been appointed as a Director of the Company or any company within the Group for such periods as may be determined by the LTIP Committee prior to and up to the LTIP Award Date;
 - (iii) has not given any notice of resignation, received a notice of termination or otherwise ceased or had his/her employment terminated prior to and up to the LTIP Award Date; and
 - (iv) fulfils any other criteria as may be determined by the LTIP Committee from time to time at its sole discretion,
- (b) in respect of an Employee (including Senior Management Personnel), he/she:
- (i) has attained the age of 18 years and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (ii) is employed on the payroll of any company within the Group (which is not dormant) and such employment has been confirmed prior to and up to the LTIP Award Date;
 - (iii) has not given any notice of resignation, received a notice of termination or otherwise ceased or had his/her employment terminated prior to and up to the LTIP Award Date; and
 - (iv) fulfils any other criteria as may be determined by the LTIP Committee from time to time at its sole discretion;
- (c) in respect of an 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), shall also be approved by the shareholders of the Company in general meeting to be convened unless such approval is no longer required under the Listing Requirements provided always that such interested parties shall not have voted on the resolution approving their respective allocation,

provided always that the selection of Eligible Person(s) for participation in the LTIP and the number of LTIP Award(s) to be awarded to an Eligible Person(s) 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.

4.1.2 ESIS Awards only

Only Eligible Persons who fulfil the eligibility conditions as set out in By-Law 4.1.1 above shall be eligible to participate in the ESIS.

The ESIS Awards may require the performance targets to be met by the Eligible Persons prior to the vesting of the ESIS Awards. The performance targets comprise key performance indicators to be measured against the individual performance of the ESIS Participants and/or the Group as well as the performance of their respective business units within the Group, as may be determined by the Company from time to time.

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- 4.2 Notwithstanding the above, the LTIP Committee may, at its sole and absolute discretion, waive any of the eligibility conditions as set out in By-Law 4.1 above (save for By-Law 4.1.1 and 4.1.2). The selection of Eligible Person(s), eligibility and number of LTIP Award(s) to be awarded to an Eligible Person(s) under the Scheme shall be at the sole and absolute discretion of the LTIP Committee and the decision of the LTIP Committee shall be final and binding. In determining the eligibility of an Eligible Person(s) to participate in the Scheme, the LTIP Committee may take into account among other factors, job grading, performance, length of service, contribution to the Group, the profit after tax of the Group, total shareholder return and/or such other factors that the LTIP Committee may in its sole and absolute discretion deem fit.
- 4.3 The LTIP Committee shall have the discretion to determine whether any vesting condition has been satisfied (whether fully or partially) or exceeded and in making any such determination, and further to amend any Vesting Conditions if the LTIP Committee decides that a changed performance target would be a fairer measure of performance.
- 4.4 Any Eligible Person(s) who holds more than 1 position within the Group and by holding such positions, the Eligible Person(s) is in more than 1 category, shall only be entitled to the Maximum Allowable Allotment of any 1 of those category/designation of employment. The LTIP Committee shall be entitled at its sole discretion to determine the applicable category/designation of employment.
- 4.5 An Employee or a director of a dormant company within the Group is not eligible to participate in the Scheme.
- 4.6 An Employee or a director of the Group who during the duration of the Scheme becomes an Eligible Person(s) may, at the sole discretion of the LTIP Committee, be eligible to participate in the Scheme, subject to the Maximum Allowable Allotment and the decision of the LTIP Committee shall be final and binding.
- 4.7 Eligibility under the Scheme does not confer on an Eligible Person(s) any claim or right to participate in or any right whatsoever under the Scheme and an Eligible Person(s) does not acquire or has any right over or in connection with the LTIP Award(s) unless the LTIP Award(s) has been made by the LTIP Committee to the Eligible Person(s) and the Eligible Person(s) has accepted the LTIP Award(s) in accordance with these By-Laws.

5. BASIS OF ALLOCATION AND MAXIMUM ALLOWABLE ALLOCATION

- 5.1 The allocation of the SkyeChip Shares to be made available for the LTIP 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 LTIP Awards that may be allocated to an Eligible Person(s) under the Scheme at any point of time in each LTIP 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, performance, length of service, contribution to the Group and/or such other matters as the LTIP Committee deems fit in its sole and absolute discretion, and subject to the following conditions:
- (i) the total number of new SkyeChip Shares made available under the Scheme shall not exceed the amount in By-Law 3.1 above;
 - (ii) not more than 10% of the total number of new SkyeChip Shares under the Scheme shall be allocated to any Eligible Person(s) who, either singly or collectively through persons connected (as defined in the Listing Requirements) with the Eligible Person(s), holds 20% or more of the total number of issued SkyeChip Shares (excluding treasury shares, if any); and

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- (iii) the Eligible Person(s) 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 new SkyeChip Shares for the LTIP Award(s) that will be made available to an Eligible Person(s) under the Scheme, subject to the provisions of these By-Laws, and the decision of the LTIP Committee shall be final and binding. For the avoidance of doubt, the LTIP Committee shall not be obliged in any way to offer an Eligible Person(s) the LTIP Award(s) for all the specified Maximum Allowable Allotment applicable to such Eligible Person(s) under the Scheme.
- 5.4 In the event that an Employee is promoted and becomes an Eligible Person(s), the Maximum Allowable Allotment applicable to such Eligible Person(s) 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 number of new SkyeChip Shares available under the Scheme as stipulated under By-Law 3.1.
- 5.5 In the event that an Eligible Person(s) 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-designation 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.
- 5.6 The Company shall ensure that the LTIP Award(s) awarded pursuant to the Scheme is verified by the Audit and Risk Management Committee of the Group at the end of each financial year as being in compliance with the award criteria of the LTIP Award(s) which have been disclosed to the Eligible Person(s).
- 5.7 The LTIP Committee may at its sole and absolute discretion determine whether the LTIP Award(s) to the Eligible Person(s) will be made on staggered basis over the duration of the Scheme or in a single award and/or whether the LTIP Award(s) are subject to any vesting period and if so, to determine the Vesting Conditions.
- 5.8 If any Eligible Person(s) is a member of the LTIP Committee, such Eligible Person(s) shall not participate in the deliberation or discussion of his/her LTIP Award(s).
- 5.9 The selection of any Eligible Person(s) 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.
- 5.10 At the time the LTIP 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(s) and the Maximum Allowable Allotment that may be awarded to such Eligible Person(s) under the LTIP Award(s).
- 5.11 Subject to By-Law 5.2, nothing herein shall prevent the LTIP Committee from awarding more than 1 LTIP Award(s) to an Eligible Person(s) provided that the total aggregate number of SkyeChip Shares comprised in the LTIP Award(s) awarded to such Eligible Person(s) during the duration of the Scheme shall not exceed the Maximum Allowable Allotment that an Eligible Person(s) is entitled under the LTIP Award(s).

6. RIGHTS OF LTIP PARTICIPANT(S)

- 6.1 The LTIP Award(s) shall not carry any right to vote at any general meeting of the Company or rank for any distributions in the event of any voluntary or involuntary liquidation or dissolution of the Company until and unless such SkyeChip Shares have been issued, allotted and credited into the CDS Account of the LTIP Participant(s).

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- 6.2 The SkyeChip Shares which are credited into the LTIP Participant(s)' CDS Account upon vesting of the ESIS Awards and/or exercising of the ESOS Options, would carry rights to vote at the general meeting of the Company, if the LTIP 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 A LTIP Participant(s) shall not be entitled to any dividends, rights and/or other distributions or entitlements on his/her unvested ESIS Awards and/or unexercised ESOS Options.

7. RIGHTS ATTACHING TO THE SKYECCHIP SHARES

- 7.1 The SkyeChip Shares arising upon vesting of the ESIS Awards and/or exercising of the ESOS Options shall, upon allotment and issuance, rank equally in all respects with the existing SkyeChip Shares and together with the SkyeChip Shares procured by the Company, shall:
- (i) be subject to the provisions of the Constitution; and
 - (ii) rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing SkyeChip Shares, the record date for which is on or after the date on which the SkyeChip Shares are credited into the CDS Account of the LTIP Participant(s) and shall in all other respects rank equally with other existing SkyeChip Shares then in issue.
- 7.2 Notwithstanding any provision in these By-Laws, the LTIP Participant(s) shall not be entitled to any rights, dividends, allotments or other distributions attached to the SkyeChip Shares prior to the date on which such SkyeChip Shares are credited into their respective CDS Accounts or of which is prior to the date of allotment of such SkyeChip Shares.

8. RETENTION PERIOD

- 8.1 The SkyeChip Shares to be allotted and issued to the ESIS Participants and/or ESOS Participants, as the case may be, pursuant to the LTIP will not be subjected to any retention period or restriction on transfer. However, LTIP Participant(s) are encouraged to hold the SkyeChip Shares as a long-term investment and not for any speculative and/or capitalisation of any immediate gain. The expression "retention period" shall mean the period in which the SkyeChip Shares awarded and issued pursuant to the Scheme must not be sold, transferred, assigned or otherwise disposed of by the LTIP Participant(s).
- 8.2 Notwithstanding the above By-Law 8.1, the LTIP Committee shall be entitled to prescribe or impose, in relation to any LTIP Award(s), any condition relating to any retention period or restriction on the transfer of the SkyeChip Shares to be issued pursuant to the LTIP as the LTIP Committee deems fit.

9. ALTERATION OF SHARE CAPITAL AND ADJUSTMENT

- 9.1 Subject to By-Law 9.5 hereof, in the event of any alteration in the capital structure of the Company during the duration of the Scheme, whether by way of capitalisation of profits or reserves, rights issue, bonus issue, capital reduction, capital repayment, sub-division or consolidation of capital (save for set-off against accumulated losses), declaration of any special dividend or distribution 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:
- (i) in relation to ESIS:
 - (a) the number of ESIS Shares comprised in the ESIS Award(s) to the extent not yet vested; and/or

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- (b) the method and/or manner in the vesting of the ESIS Shares comprised in the ESIS Award(s).
 - (ii) in relation to ESOS:
 - (a) the Exercise Price and/or number of ESOS Options comprised in the ESOS Award(s) to the extent not yet vested or exercised; and/or
 - (b) the method and/or manner in the vesting of the ESOS Options comprised in the ESOS Awards.
- 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 Exercise Price shall be rounded up to the nearest 1 sen; and
 - (ii) in determining a LTIP Participant(s)' entitlement to have the SkyeChip Shares vested and/or to exercise the ESOS Options, any fractional entitlements will be disregarded.
- 9.3 Subject to By-Law 9.2, the Exercise Price for the ESOS Award(s) and/or the number of new SkyeChip Shares unvested/ESOS Options relating to the LTIP Award(s) awarded to each LTIP Participant(s) may from time to time be adjusted, calculated and determined by the LTIP Committee in accordance with the following relevant provisions in consultation with the external auditors of the Company or adviser identified by the LTIP Committee (acting as experts and not arbitrators) who must confirm the adjustment (where required in compliance with the provisions of the Listing Requirements) in writing to be in their opinion, fair and reasonable (for the avoidance of doubt, such confirmation shall be final and binding, and shall not transfer or create any responsibility or third-party rights against the auditors or advisers):

(1) Consolidation and subdivision

Whenever a SkyeChip Share by reason of any consolidation or subdivision, the total number of issued shares shall be different. Then, the Exercise Price for the ESOS Award(s) and/or the number of additional SkyeChip Shares/ESOS Options relating to the LTIP Award(s) to be issued shall be adjusted, calculated or determined in the following formula:

(a) New Exercise Price

$$\text{New Exercise Price} = \text{EP} \times \frac{\text{Former total number of issued shares before the consolidation or subdivision}}{\text{Revised total number of issued shares after the consolidation or subdivision}}$$

(b) Number of additional SkyeChip Shares/ESOS Options

$$\text{Number of additional SkyeChip Shares/ESOS Options} = T \times \frac{\text{Revised total number of issued shares after the consolidation or subdivision}}{\text{Former total number of issued shares before the consolidation or subdivision}} - T$$

Where:

EP = Existing Exercise Price; and

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T = Existing number of SkyeChip Shares/ESOS Options relating to the LTIP Award(s) awarded.

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 SkyeChip Shares are traded on Bursa Securities), or such other period as may be prescribed by Bursa Securities.

(2) Capitalisation of profits/reserves

If and whenever the Company shall make any issue of new SkyeChip 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 Exercise Price for the ESOS Award(s) shall be adjusted by multiplying it by the following fraction:

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

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

Number of additional SkyeChip Shares/ESOS Options =

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

Where:

A = the aggregate number of issued and fully paid-up SkyeChip Shares immediately before such bonus issue or capitalisation issue;

B = the aggregate number of SkyeChip 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.

If and whenever the Company shall make:

(3) Capital Distribution

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

(a) Rights issue of SkyeChip Shares

any offer or invitation to its ordinary shareholders where under they may acquire or subscribe for new SkyeChip Shares by way of rights; or

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(b) Rights issue of convertible securities

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

then and in respect of each such case, the Exercise 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) hereof, the number of additional SkyeChip Shares/ESOS Options comprised in the LTIP Award(s) to be issued shall be calculated as follows:

Number of additional SkyeChip Shares/ESOS Options =

$$T \times \left[\frac{C}{C-D^*} \right] - T$$

Where:

- T = as T above;
- C = the current market price of each SkyeChip 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 SkyeChip Shares under By-Law 9.3(iii)(b) above or for securities convertible into SkyeChip Shares or securities with rights to acquire or subscribe for new SkyeChip Shares under By-Law 9.3(iii)(c) above, the value of rights attributable to 1 existing SkyeChip Share (as defined below); or

 (bb) in the case of any other transaction falling within By-Law 9.3(iii) hereof, the fair market value as determined by the external auditor of the Company of that portion of the Capital Distribution attributable to 1 existing SkyeChip Share.
- D* = the value of rights attributable to 1 existing SkyeChip Share (as defined below).

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

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

Where:

- C = as C above;

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

- E = the subscription price for 1 additional SkyeChip Share under the terms of such offer or invitation to acquire or subscribe for the SkyeChip Share or subscription price of 1 additional security convertible into SkyeChip Shares or 1 additional security with rights to acquire or subscribe for the SkyeChip Shares;
- F = the number of existing SkyeChip Shares which is necessary to hold in order to be offered or invited to acquire or subscribe for 1 additional SkyeChip Share or subscribe for security convertible into 1 additional SkyeChip Share or rights to acquire or subscribe for 1 additional SkyeChip Share; and

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

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

Where:

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

For the purpose of By-Law 9.3(iii) hereof, "**Capital Distribution**" shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of new SkyeChip Shares (not falling under By-Law 9.3(ii) hereof) 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.

(4) Capitalisation of profits/reserves and rights issue of SkyeChip Shares/ convertible securities

If and whenever the Company makes any allotment to its ordinary shareholders as provided in By-Law 9.3(ii) above and also makes any offer or invitation to its ordinary shareholders as provided in By-Law 9.3(iii)(b) or (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 Exercise Price for the ESOS Award(s) shall be adjusted by multiplying it by the following fraction:

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

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

and where the Company makes any allotment to its ordinary shareholders as provided in By-Law 9.3(ii) above and also makes any offer or invitation to its ordinary shareholders as provided in By-Law 9.3(iii)(b) above and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the number of additional SkyeChip Shares comprised in the LTIP Award(s) to be issued shall be calculated as follow:

Number of additional SkyeChip Shares (ESOS Options) =

$$T \times \left[\frac{(G + H^* + B) \times C}{(G \times C) + (H^* \times I^*)} \right] - T$$

Number of additional SkyeChip Shares (ESIS Award) =

$$T \times \left[\frac{(G + H + B) \times C}{(G \times C) + (H \times I)} \right] - T$$

Where:

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

(5) Rights issue of the SkyeChip 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 SkyeChip Shares as provided in By-Law 9.3(iii)(b) above together with an offer or invitation to acquire or subscribe for securities convertible into new SkyeChip Shares or securities with rights to acquire or subscribe for new SkyeChip Shares as provided in By-Law 9.3(iii)(c) above and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the Exercise Price for the ESOS Award(s) shall be adjusted by multiplying it by the following fraction:

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

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

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

Number of additional SkyeChip Shares (ESOS Options) =

$$T \times \left[\frac{(G + H^*) \times C}{(G \times C) + (H^* \times I^*)} \right] - T$$

Number of additional SkyeChip Shares (ESIS Award) =

$$T \times \left[\frac{(G + H + J) \times C}{(G \times C) + (H \times I) + (J \times K)} \right] - T$$

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 SkyeChip Shares to be issued to its ordinary shareholders upon conversion of such securities or exercise of such rights to subscribe for the SkyeChip Shares by the ordinary shareholders;
- K = the exercise price on conversion of such securities or exercise of such rights to acquire or subscribe for 1 additional SkyeChip 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.

(6) Capitalisation of profits/reserve, rights issue of the SkyeChip 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 SkyeChip Shares as provided in By-Law 9.3(iii)(b) above together with an offer or invitation to acquire or subscribe for securities convertible into new SkyeChip Shares or securities with rights to acquire or subscribe for new SkyeChip Shares as provided in By-Law 9.3(iii)(c) above and the Entitlement Date for the purpose of the allotment is also the Entitlement Date for the purpose of the offer or invitation, the Exercise Price 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 SkyeChip Shares/ESOS Options comprised in the LTIP Award(s) shall be calculated as follows:

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

Number of additional SkyeChip Shares (ESOS Options) =

$$T \times \left[\frac{(G + H^* + B) \times C}{(G \times C) + (H^* \times I^*)} \right] - T$$

Number of additional SkyeChip Shares (ESIS Award) =

$$T \times \left[\frac{(G + H^* + B) \times C}{(G \times C) + (H^* \times I^*) + (J \times K)} \right] - T$$

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.

(7) 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-Laws 9.3(iii)(b), (iii)(c), (iv), (v) or (vi) above), the Company shall issue either new SkyeChip Shares or any securities convertible into new SkyeChip Shares or any rights to acquire or subscribe for the SkyeChip Shares, and in any such case, the Total Effective Consideration per SkyeChip Share (as defined below) is less than 90% of the Average Price (as defined below) for one (1) SkyeChip Share or, as the case may be, the price at which the SkyeChip Shares will be issued upon conversion of such securities or exercise of such rights is determined, the Exercise Price for the ESOS Award(s) shall be adjusted by multiplying it by the following fraction:

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

Where:

- L = the number of the SkyeChip 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;

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

- M = the number of the SkyeChip 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 SkyeChip Shares so issued or, in the case of securities convertible into the SkyeChip Shares or securities with rights to acquire or subscribe for the SkyeChip Shares, the maximum number (assuming no adjustment of such rights) of the SkyeChip 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 of the Company and shall be:

- (a) in the case of the issue of new SkyeChip Shares, the aggregate consideration receivable by the Company on payment in full for such SkyeChip Shares; or
- (b) in the case of the issue by the Company of securities wholly or partly convertible into new SkyeChip 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
- (c) in the case of the issue by the Company of securities with rights to acquire or subscribe for new SkyeChip 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 SkyeChip Share**” shall be the Total Effective Consideration divided by the number of new SkyeChip Shares issued as aforesaid or, in the case of securities convertible into new SkyeChip Shares or securities with rights to acquire or subscribe for new SkyeChip Shares, by the maximum number of new SkyeChip 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 SkyeChip Share shall be the average market price of 1 SkyeChip Share as derived from the last traded prices for one or more board lots of SkyeChip 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 SkyeChip 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 next Market Day immediately following the date on which the Company determines the subscription price of such SkyeChip Shares. Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the next Market Day immediately following the completion of the above transaction.

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

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

Such adjustment must be confirmed in writing by the external auditors of the Company for the time being (acting as experts and not as arbitrators), upon reference to them by the LTIP Committee, to be in their opinion, fair and reasonable, provided always that:

- (i) any adjustment to the Exercise Price shall be rounded up to the nearest 1 sen;
 - (a) in the event that a fraction of a new SkyeChip Share arising from the adjustment referred to in these By-Laws would otherwise be required to be issued upon vesting of the ESIS Awards and/or exercising of the ESOS Option by the LTIP Participant(s), the LTIP Participant(s)' entitlement shall be round down to the nearest whole number;
 - (b) upon any adjustment being made pursuant to these By-Laws, the LTIP Committee shall, within 30 days of the effective date of the alteration in the capital structure of the Company, notify the LTIP Participant(s) (or his legal representatives where applicable) in writing informing him of the adjusted Exercise Price for the ESOS Award(s) thereafter in effect and/or the number of the SkyeChip Shares/ESOS Options comprised in the LTIP Award(s);
 - (c) 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 Exercise Price for the ESOS Award(s) and/or the number of the SkyeChip Shares/ESOS Options comprised in the LTIP Award(s) so far as unvested and/or unexercised arising from bonus issue, subdivision or consolidation of the SkyeChip Shares need not be confirmed in writing by the external auditors of the Company.

- 9.4 Save as expressly provided for herein, the external auditors of the Company must confirm in writing that the adjustments are in their opinion fair and reasonable. The opinion of the external auditors of the Company shall be final, binding and conclusive.

For the avoidance of doubt, nothing in these By-Laws shall be construed as conferring any vested right on any Participant, and all determinations of the LTIP Committee shall be conclusive and binding.

- 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 SkyeChip Shares pursuant to the vesting and/or exercise of the LTIP Award(s) under the Scheme; or
- (ii) an issue of securities as consideration or part consideration for an acquisition of any other securities, assets or business; or
- (iii) private placement or restricted issue or special issue of new SkyeChip Shares by the Company; or
- (iv) a special issue of securities to Bumiputera parties or investors nominated by the Ministry of Investment, Trade and Industry and/or other government authority to comply with the government's policy on Bumiputera capital participation; or
- (v) a purchase by the Company of its own SkyeChip Shares and cancellation of all or a portion of such SkyeChip Shares purchased pursuant to Section 127 of the Act; or
- (vi) an issue of new SkyeChip Shares arising from the exercise of any conversion rights attached to securities convertible to new SkyeChip Shares or upon exercise of any other rights including warrants and convertible loan stocks or other instruments (if any) issued by the Company.

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

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.

9.7 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 SkyeChip Shares or reduction of capital, on the next Market Day immediately following the date on which the consolidation or subdivision or capital reduction becomes effective or such period as may be prescribed by Bursa Securities.

Upon any adjustment being made, the LTIP Committee shall give notice in writing within 30 days from the date of adjustment to the LTIP Participant(s), or his/her legal representative, where applicable, to inform him/her of the adjustment and the event giving rise thereto.

9.8 Notwithstanding the provisions referred to in these By-Laws, the LTIP Committee may exercise its sole discretion to determine whether any adjustments to the Exercise Price for ESOS Award(s) and/or the number of the SkyeChip Shares/ESOS Options comprised in the LTIP 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 Exercise Price for the ESOS Award(s) and/or the number of the SkyeChip Shares/ESOS Options comprised in the LTIP 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 ASSETS

10.1 In the event of:

- (i) a take-over offer being made for, 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); or
- (ii) the Offeror becoming entitled or bound to exercise the right of compulsory acquisition of the SkyeChip Shares under the provisions of any applicable statutes, rules and/or regulations and gives notice to the LTIP Participant(s) that it intends to exercise such rights on a specific date ("**Specified Date**"); or
- (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 and/or exercise of the LTIP Award(s) and the LTIP Participant(s) will be entitled within such period to be determined by the LTIP Committee, to subscribe and/or exercise all or any of his/her LTIP Award(s) and the Directors of the Company shall use their best endeavours to procure that such a general offer be extended to the SkyeChip Shares that may be issued pursuant to the LTIP Award(s) under these By-Law.

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

In the foregoing circumstances, all LTIP 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 unvested and/or unexercised by the date prescribed by the LTIP Committee notwithstanding that the LTIP Award 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 a LTIP Participant(s) may be entitled to be vested and/or to exercise all or any of his/her unvested and/or unexercised LTIP 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 LTIP Award(s) shall be vested and LTIP Award(s) shall be subscribed and/or exercised after the expiry of the LTIP Award Vesting Date. Upon the compromise or arrangement becoming effective, all unvested and/or unexercised LTIP 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 a LTIP Participant(s) is in the employment of a company within the Group and such company is subsequently divested, wholly or in part, from the Group, the LTIP Participant(s):

- (i) shall cease to be capable of being vested with any unvested LTIP 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; and
- (ii) will not be entitled to exercise any unexercised ESOS Options from the date of completion of such divestment,

unless the LTIP Committee at its discretion permit such exercise of the unexercised ESOS Option or the vesting of the unvested LTIP Award(s) including its allocation thereof. For the avoidance of doubt, save and except to the extent permitted by the LTIP Committee, all existing LTIP 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 LTIP Award(s) under the Scheme as from the date of completion of such divestment.
- 11.2 For the purposes of By-Law 11.1 above, a company shall be deemed to be divested from the Group or disposed of from the Group in the event that the effective interest of the Company in such company is reduced from above 50% to 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).
- 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 ("**the Group**")) and is subsequently transferred from such company to any company within the Group; or

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

- (ii) an employee who was in the employment of a company which subsequently becomes a company within the Group as a result of a restructuring or acquisition exercise or otherwise involving the Company and/or any company within the Group with any of the first mentioned company stated in (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 the 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 of such company on the date of such company becomes a subsidiary of the Group (provided that such subsidiary is not dormant) falling within the meaning of the expression of “**Eligible Person**” under By-Law 1 and the provisions of these By-Laws shall apply.

12. WINDING UP

- 12.1 All outstanding LTIP 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 to vest in the LTIP Award(s) and/or exercise the ESOS Options 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 LTIP Award(s) and/or exercise the ESOS Options pursuant to the Scheme shall accordingly be lifted from suspension.

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 a compliance pursuant to Paragraph 2.12 of the Listing Requirements and checklist showing compliance with Appendix 6E of the Listing Requirements;
 - (ii) receipt of the approval or approval-in-principle, as the case may be, from Bursa Securities for the listing of and quotation for the SkyeChip Shares to be issued under the Scheme;
 - (iii) procurement of the shareholders’ approval for the Scheme in a general meeting;
 - (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.

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 the general meeting. The confirmation letter shall be submitted to Bursa Securities no later than 5 Market Days after the Effective Date.

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 13.2 The Scheme, when implemented, shall be in force for a period of 5 years from the Effective Date. The Company may, if the Board deems fit and upon recommendation of the LTIP Committee, extend the LTIP for a period of up to another 5 years immediately from the expiry of the first 5 years, and shall not in aggregate exceed 10 years from the Effective Date.
- 13.3 LTIP Award(s) can only be made from the Effective Date and before the Date of Expiry.
- 13.4 Notwithstanding anything to the contrary, all unvested LTIP 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 relevant authorities, the Scheme may be terminated by the LTIP Committee at any time before the Date of Expiry PROVIDED THAT an announcement is released to Bursa Securities on the following:
- (i) the effective date of termination (“**Termination Date**”);
 - (ii) the number of the SkyeChip Shares vested pursuant to the ESIS and/or number of ESOS Option(s) exercised pursuant to the ESOS; and
 - (iii) the reasons and justification for termination.
- 13.6 In the event of termination as stipulated in By-Law 13.5 above, the following provisions shall apply:
- (i) no further LTIP Award(s) shall be awarded by the LTIP Committee from the Termination Date;
 - (ii) all LTIP Award(s) which have yet to be accepted by the Eligible Person(s) shall automatically lapse and become null and void on the Termination Date; and
 - (iii) any LTIP Award(s) which have yet to be vested or exercised (as the case may be and whether fully or partially) awarded under the Scheme shall automatically lapse and be deemed cancelled and be null and void.
- 13.7 Subject to the requirements under the Listing Requirements, approval or consent of the shareholders of the Company by way of a resolution in a general meeting and written consent of LTIP Participant(s) who have yet to vest their LTIP Award(s) and/or exercise their ESOS Options are not required to effect a termination of the Scheme.

14. ADMINISTRATION AND IMPLEMENTATION OF THE SCHEME

- 14.1 The Scheme shall be administered by the LTIP Committee. The LTIP Committee shall, subject to these By-Laws, administer the Scheme in such manner as it shall 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 LTIP 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:

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

- (i) subject to the provisions of the Scheme, construe and interpret the Scheme and LTIP Award(s) awarded under it, to define the terms therein and to recommend to the Board to establish, amend and revoke rules and regulations relating to the Scheme and its administration. The 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 LTIP 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.
- 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.
- 14.4 In implementing the Scheme, the LTIP Committee may at its absolute discretion decide that the LTIP Award(s) be satisfied by the following methods:
- (i) for the ESIS, allotment and issuance of new SkyeChip Shares to the Trustee that have been subscribed for by the Trustee, which will in turn be transferred to the ESIS Participants;
 - (ii) for the ESOS, allotment and issuance of new SkyeChip Shares to the ESOS participants;
 - (iii) any other methods as may be permitted by the Act and the Listing Requirements, as amended from time to time and any re-enactment thereof, or cash payments, if any; or
 - (iv) a combination of any of the above.
- 14.5 The Board and/or the LTIP Committee will establish a Trust to be administered by the Trustee consisting of such trustee appointed by the Company from time to time, subject to the provisions set out in the Trust Deed, for purposes of subscribing for new SkyeChip Shares and transferring them to the ESIS Participant(s) at such time as the LTIP Committee may direct. To enable the Trustee to subscribe for new SkyeChip Shares for purposes of implementing the aforesaid and to pay expenses in relation to the administration of the Trust, the Trustee will, to the extent permitted by law, be entitled from time to time to accept funding and/or assistance, financial or otherwise, from the Company and its subsidiaries.
- 14.6 The Trustee shall exercise the voting rights attached to such SkyeChip Shares in such manner and extent as may be directed by the LTIP Committee in writing.
- 14.7 The Trustee shall administer the Trust in accordance with the Trust Deed. For purposes of administering the Trust, the Trustee shall do all such acts and things and enter into any transactions, agreements, deeds, documents or arrangements and make rules, regulations or impose terms and conditions or delegate part of its power relating to the administration of the Trust as the LTIP Committee may in its discretion direct for the implementation and administration of the Trust.
- 14.8 The Company and/or the LTIP Committee shall have the power from time to time, appoint or rescind the appointment of any Trustee as it deems fit in accordance with the provisions of the Trust Deed.

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)**15. MODIFICATION, VARIATION AND/OR AMENDMENT TO THE SCHEME**

- 15.1 Subject to By-Law 15.2 and 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, modifications or amendments to or deletions of these By-Laws as it shall at its sole discretion deem fit and the Board shall have the power, at any time, by resolution to, add, amend, modify and/or delete all or any of the terms in these By-Laws upon such recommendation and the Company will submit the amended By-Laws together with a confirmation letter to Bursa Securities confirming that such amendment and/or modification is in compliance with the provisions of the Listing Requirements pertaining to the Scheme and the Rules of Bursa Depository.
- 15.2 Subject to By-Law 15.3, the approval of the shareholders of the Company in general meeting shall not be required in respect of any additions, modifications or amendments to or deletions of these By-Laws provided that no additions, modifications or amendments to or deletions of these By-Laws shall be made which will:
- (i) prejudice any rights which would have accrued to any LTIP Participant(s) without the prior consent or sanction of that LTIP Participant(s); or
 - (ii) increase the number of the SkyeChip Shares available under the Scheme beyond the maximum amount set out in By-Law 5 above; or
 - (iii) prejudice any rights of the shareholders of the Company; or
 - (iv) alter to the advantage of an Eligible Person(s) and/or LTIP Participant(s) in respect of any matters which are required to be contained in these By-Laws without the prior approval of the Company's shareholders obtained in a general meeting unless allowed by the provisions of the Listing Requirements.

Such amendment or modification to the By-Laws does not need the prior approval of Bursa Securities. However, the Company shall submit to Bursa Securities a confirmation letter that the amendment or modification does not contravene any of the provisions of the Listing Requirements pertaining to the Scheme no later than 5 Market Days after the effective date of the said amendment or modification is made.

- 15.3 The LTIP Committee shall within 10 Market Days of any amendment and/or modification made pursuant to these By-Laws notify the LTIP Participant(s) in writing of any amendment and/or modification made pursuant to these By-Laws.

16. INSPECTION OF THE AUDITED ACCOUNTS

- 16.1 All LTIP Participant(s) are entitled to inspect the latest audited accounts of the Company at the registered office of the Company during normal business hours on any working day of the registered office.

17. SCHEME NOT A TERM OF EMPLOYMENT

- 17.1 This Scheme shall not confer or be construed to confer on an Eligible Person(s) any special rights or privileges over the Eligible Person(s)' terms and conditions of employment in the Group under which the Eligible Person(s) are employed nor any rights additional to any compensation or damages that the Eligible Person(s) 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(s).

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

18. NO COMPENSATION FOR TERMINATION

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

18.2 Notwithstanding any provisions of these By-Laws:

- (i) this Scheme shall not form part of any contract of employment between the Company or any company within the Group and any Eligible Person(s) of any company of the Group. The rights of any Eligible Person(s) under the terms of his/her office and/or employment with any company within the Group shall not be affected by his/her participation in the Scheme, nor shall such participation or the LTIP Award(s) or consideration for the LTIP Award(s) afford such Eligible Person(s) 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 LTIP Award(s)) against the Company or any company within the Group, directly or indirectly, or give rise to any course of action in law or in equity or under any other law against any company within the Group.
- (iii) no LTIP 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 the 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 LTIP Award(s) or his/her LTIP Award(s) ceasing to be valid pursuant to the provisions of these By-Laws; and
- (iv) the Company, 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 LTIP 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 SkyeChip 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 the Group, the Board or the LTIP Committee has been advised of the possibility of such damage.

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

19. DISPUTES

- 19.1 In case any dispute or difference shall arise between the LTIP Committee and an Eligible Person(s) or a LTIP Participant(s) or in the event of an appeal by an Eligible Person(s), 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(s) and/or the LTIP Participant(s), as the case may be provided that where the dispute is raised by a member of the LTIP Committee, the said member shall abstain from voting in respect of the decision of the LTIP Committee in that instance. In the event the Eligible Person(s) or the LTIP Participant(s), as the case may be, shall dispute the same by written notice to the LTIP Committee within 14 days of the receipt of the written decision, then such dispute or difference shall be referred to the Board, whose decision shall be final and binding in all respects, provided that any Director of the Company who is also in the LTIP Committee shall abstain from voting and no person shall be entitled to dispute any decision or certification which is stated to be final and binding under these By-Laws. 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.
- 19.2 Notwithstanding the foregoing provisions of By-Law 19.1 above, matters concerning adjustments made pursuant to By-Law 9 (where required in compliance with the provisions of the Listing Requirements) shall be referred to external auditors of the Company or the Adviser of the Company who shall act as experts and not as arbitrators, to confirm in writing that such adjustments are, in their opinion, fair and reasonable. Such confirmation shall be final and binding.

20. COSTS AND EXPENSES

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

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.

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 SkyeChip Shares pursuant to the ESIS Award(s) and/or exercising of the ESOS Option(s) and any holding or dealing of such SkyeChip Shares (including but not limited to brokerage commissions and stamp duty) under the Scheme shall be borne by the LTIP 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.

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)**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 the SkyeChip Shares to be issued pursuant to LTIP Award(s) on the Main 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 SkyeChip Shares or in procuring Bursa Securities to list the SkyeChip Shares for which the LTIP 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(s) or LTIP Participant(s) or any correspondence to be made between an Eligible Person(s) or LTIP 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(s) or the LTIP 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(s) or the LTIP 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 3 Market Days after posting;
 - (ii) if it is delivered by hand to the Eligible Person(s) or the LTIP 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(s) or the LTIP 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(s) or the LTIP Participant(s) shall be communicated in writing to the Company by email or ordinary letter.

- 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 Person(s) or all the LTIP 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 the Group to be made in such manner deemed appropriate by the LTIP Participant(s) (including via electronic media). Upon the making of such an announcement, the notice to be made under By-Law 24.2 above shall be deemed to be sufficiently given, served or made to all affected Eligible Person(s) or LTIP 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.

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

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 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 LTIP 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 Person(s), by accepting the LTIP 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.

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ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

PART B**Section 1 – ESIS**

The provisions of this Section 1 shall only apply to the ESIS.

29. ESIS 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 ESIS Award(s) in writing to an Eligible Person(s) 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 ESIS Award awarded to the selected Eligible Person(s) shall be separate and independent from any previous or subsequent ESIS Award(s) awarded by the LTIP Committee to that Eligible Person(s).
- 29.2 The actual number of the SkyeChip Shares which may be awarded to an Eligible Person(s) 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 SkyeChip Shares arising from the vesting of the ESIS Award(s) shall not be less than 100 SkyeChip Shares nor more than the Maximum Allowable Allotment as set out in By-Law 5 and shall be in multiples of 100 SkyeChip Shares. The LTIP Committee may stipulate any terms and conditions it deems appropriate in an ESIS Award(s) and the terms and conditions of each may differ.
- 29.3 The LTIP Committee shall, in its LTIP Award letter to an Eligible Person(s), state, among others:
- (i) the number of the SkyeChip Shares which the Eligible Person(s) shall be entitled upon acceptance of the ESIS Award(s);
 - (ii) the ESIS Award Date;
 - (iii) the manner of acceptance of the ESIS Award(s);
 - (iv) the closing date for acceptance of the ESIS Award(s);
 - (v) the Vesting Conditions, if any;
 - (vi) the ESIS Vesting Date(s); and
 - (vii) any other terms and conditions deemed necessary by the LTIP Committee.
- 29.4 Under the ESIS, the reference price of the ESIS Awards to be awarded will be determined based on the fair value of the ESIS Awards, which will take into account, among others, the market price of the SkyeChip Shares on the award date of the ESIS Awards.
- 29.5 Without prejudice to By-Law 14, in the event the LTIP Award letter contains an error on the part of the Company in stating any of the particulars in By-Law 29.3 above, as soon as possible but in any event no later than 1 month after discovery of the error, the Company shall issue a supplemental LTIP Award letter, stating the correct particulars referred to in By-Law 29.3.

30. ACCEPTANCE

- 30.1 The ESIS Award(s) shall be valid for acceptance by the Eligible Person(s) for a period of 30 days from the ESIS Award Date (inclusive) or such period as may be determined by the LTIP Committee at its sole discretion on a case to case basis.

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 30.2 The ESIS Award(s) shall be accepted by an Eligible Person(s) 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 RM1.00 only, as acceptance of the ESIS Award(s).
- 30.3 The day of receipt by the Company of such written notice shall constitute the date of acceptance of the ESIS Award(s).
- 30.4 If the ESIS 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(s) or the Eligible Person(s) becomes a bankrupt prior to his/her acceptance of the ESIS Award(s), the ESIS Award(s) shall automatically lapse and become null and void. The ESIS Award(s) may, at the discretion of the LTIP Committee, be re-offered to other Eligible Person(s).
- 30.5 Upon acceptance of the ESIS Award(s) by the Eligible Person(s), the ESIS Award(s) will be vested to the ESIS Participant(s) on the ESIS Vesting Date(s) during the duration of the Scheme subject to the ESIS Participant(s) fulfilling the Vesting Conditions, if any, as determined by the LTIP Committee.
- 30.6 The ESIS Participant is not required to pay for the SkyeChip Shares they are entitled to receive upon vesting of the ESIS Award(s).

31. ESIS VESTING CONDITIONS

- 31.1 The LTIP Committee shall, as and when it deems necessary, review and determine at its own discretion the Vesting Conditions. The SkyeChip Shares to be issued under the ESIS Award(s) shall be vested to the ESIS Participant(s) on the ESIS Vesting Date once the Vesting Conditions, if any, are fully and duly satisfied which includes among others, the following:
- (i) the ESIS Participant(s) must remain as an employee and shall not have given a notice to resign or receive a notice of termination as at the ESIS Vesting Date; and
 - (ii) any other conditions which are determined by the LTIP Committee.
- 31.2 If applicable, where the LTIP Committee has determined that the Vesting Conditions have been fully and duly satisfied, the LTIP Committee shall notify the ESIS Participant(s) of the number of the ESIS Shares vested or which will be vested to him/her on the ESIS Vesting Date ("**ESIS Vesting Notice**").
- 31.3 No ESIS Participant(s) shall have the right to or interest in the SkyeChip Shares under the ESIS Award(s) until and unless such number of SkyeChip Shares are credited into their respective CDS Accounts.
- 31.4 The ESIS Participant(s) shall provide all information as required in the ESIS Vesting Notice 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 8 Market Days from the ESIS Vesting Date or such other period as may be prescribed or allowed by Bursa Securities,
- (i) allot and issue such number of SkyeChip Shares to the Trustee, which will in turn be transferred to the ESIS Participant(s) (subject to absolute discretion of the LTIP Committee); and
 - (ii) despatch notices of allotment and/or notice of transfer to the ESIS Participant(s) accordingly, if applicable.

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 31.5 The SkyeChip Shares arising from the vesting of the ESIS Award(s) shall be credited directly to the CDS Account of the ESIS Participant(s), and no physical share certificate will be issued and delivered to the ESIS Participant(s). The ESIS Participant(s) shall provide the LTIP Committee with his CDS Account number when accepting the ESIS Award(s). Any change to the ESIS Participant(s)' CDS Account number will need to be made in writing to the LTIP Committee.
- 31.6 Any failure to comply with the procedures specified by the LTIP Committee or to provide information as required by the Company in the ESIS Vesting Notice or inaccuracy in the CDS Account number provided shall result in the ESIS Vesting Notice being rejected at the sole discretion of the LTIP Committee. The LTIP Committee shall inform the ESIS Participant of the rejection of the ESIS Vesting Notice within 5 Market Days from the date of rejection and the ESIS Participant shall then be deemed not to have vested his/her ESIS Award(s).
- 31.7 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 ESIS Participant(s) to that effect, to suspend the unvested ESIS Award(s) of any ESIS 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 ESIS Participant or are found to have had no basis or justification) pending the outcome of such disciplinary proceedings.
- 31.8 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 ESIS Participant's unvested ESIS Award(s) having regard to the nature of the charges made or brought against such ESIS Participant, provided always that:
- (i) in the event such ESIS Participant is found not guilty of the charges which gave rise to such disciplinary proceedings, the LTIP Committee shall reinstate the unvested ESIS Award(s) of such ESIS Participant;
 - (ii) in the event the disciplinary proceedings result in a recommendation for the dismissal or termination of service of such ESIS Participant, all or any part of any unvested ESIS Award(s) of the ESIS Participant shall immediately lapse and become null and void and of no further force and effect, without notice to the ESIS Participant, upon pronouncement of the dismissal or termination of service of such ESIS Participant notwithstanding that such recommendation, dismissal and/or termination of service may be subsequently challenged or disputed by the ESIS Participant in any other forum;
 - (iii) in the event the ESIS 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 ESIS Participant may continue to satisfy the Vesting Conditions of the unvested ESIS Award(s).

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 ESIS 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 ESIS Award(s) is personal to the ESIS Participant(s) during his/her employment or appointment within the Group and it shall not be transferred, assigned or disposed of by the ESIS Participant(s).

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)**33. TERMINATION OF ESIS AWARD(S)**

33.1 Prior to the full vesting of any ESIS Award(s) in the manner as provided for under By-Law 31.2, such ESIS 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 ESIS Participant(s) within the Group for any reason whatsoever, in such event the unvested ESIS 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 the Group on the day the ESIS Participant(s)' employer accepts his/her notice of resignation or the ESIS Participant(s)' employer notifies the ESIS Participant(s) of termination of his/her employment or on the day the ESIS Participant(s) notifies his/her employer of his/her resignation or on the ESIS Participant(s)' last day of employment, whichever is the earlier; or
- (ii) bankruptcy of the ESIS Participant(s), in such event the unvested ESIS 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 the Group on the date a receiving order is made against the ESIS Participant(s) by a court of competent jurisdiction; or
- (iii) upon the happening of any other event which results in the ESIS Participant(s) being deprived of the beneficial ownership of the unvested ESIS Award(s), in such event the unvested ESIS 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 the Group on the date such event occurs; or
- (iv) winding up or liquidation of the Company, in such event the unvested ESIS Award(s) shall be automatically terminated and/or cease to be valid 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) the company which employs the ESIS Participant(s) ceasing to be part of the Group in such event the ESIS Award(s) shall be automatically terminated and cease or be deemed to cease to be valid on the date the company ceases to be part of the Group; or
- (vi) termination of the Scheme pursuant to By-Law 13.5, in such event the unvested ESIS 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 the Group on the termination date,

whichever shall be applicable.

33.2 Upon the termination of the unvested ESIS Award(s) pursuant to By-Law 33.1 above, the ESIS Participant(s) shall have no right to compensation or damages or any claim against the Company or any company within the Group from any loss of any right or benefit or prospective right or benefit under the Scheme which he/she might otherwise have enjoyed, whether for wrongful dismissal or breach of contract or loss of office or otherwise howsoever arising from him/her ceasing to hold office or employment or from the suspension of his/her entitlement to the award of, acceptance or vesting of any ESIS Award(s) or his/her ESIS Award(s) ceasing to be valid.

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 33.3 Notwithstanding By-Law 33.1(i) above, the LTIP Committee may at its discretion allow for all or any part of any unvested ESIS Award(s) to vest 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; or
 - (ii) retirement before attaining the normal retirement age with the consent of his/her employer; or
 - (iii) ill-health, injury, physical or mental disability; or
 - (iv) redundancy or retrenchment pursuant to the acceptance by that ESIS Participant(s) or a voluntary separation scheme offered by a company within the Group; or
 - (v) any other circumstance as may be deemed as acceptable to the LTIP Committee in its sole discretion,

PROVIDED THAT no ESIS Award(s) shall vest after the expiry of the vesting period. Unless the LTIP Committee in its discretion permits such vesting in accordance with this By-Law 33.3, any unvested ESIS Award(s) shall cease or be deemed to cease to be capable of vesting to the ESIS Participant(s) without any liability or right to claim against the Company and/or the LTIP Committee and/or the Board.

- 33.4 Where an ESIS Participant(s) dies before the expiry of the vesting period for the ESIS Award(s), the LTIP Committee may at its discretion determine that all or any part of any unvested ESIS Award(s) held by the ESIS Participant(s), be vested to the executor or administrator of that deceased ESIS Participant(s), and the times or periods at or within which such ESIS Award(s) may vest, provided always that no ESIS Award(s) may vest after the expiry of the vesting period. In this regard, the LTIP Committee may require the executor or administrator of that deceased ESIS Participant(s) to provide evidence satisfactory to the LTIP Committee of his status as such executor or administrator, as the case may be.
- 33.5 Notwithstanding By-Law 33.4 above, the ESIS Participant(s) may, during his/her lifetime, nominate any of his/her immediate family members who have attained the age of 18 years at the time of nomination to receive the ESIS Award(s) (which are unvested at the time of the death of the deceased ESIS Participant(s)) after the death of the deceased ESIS Participant(s) but in any event during the duration of the scheme. The ESIS Award(s) awarded pursuant to the provision of this By-Law 33.5 may be for the benefit of the estate of the ESIS Participant(s) or the personal benefit of the nominated person. The nomination as aforesaid shall be made by the ESIS Participant(s) during his/her lifetime and shall be in the prescribed form approved by the LTIP Committee and the SkyeChip Shares to be issued will be in the name of the deceased ESIS Participant(s)'s estate or in the name of the nominated person as the ESIS Participant(s) shall elect in his/her lifetime. In the event no nomination is made by the ESIS Participant(s) during his/her lifetime, the LTIP Committee may at its discretion determine that his/her unvested ESIS Award(s) shall only vested to the legal personal representatives pursuant to By-Law 33.4 above.
- 33.6 For the purposes of By-Law 33.5 above, the term "immediate family members" shall include the spouse, parent, child (including legally adopted child but excluding step child), brother and sister of the ESIS Participant(s).

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

SECTION 2 – ESOS

The provisions of this Section 2 shall only apply to the ESOS.

34. ESOS AWARD

- 34.1 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(s) 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(s).
- 34.2 The actual number of ESOS Option(s) which may be awarded to an Eligible Person(s) 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 SkyeChip Shares which may be allotted and issued upon exercising the ESOS Option(s) shall not be less than 100 SkyeChip Shares nor more than the Maximum Allowable Allotment as set out in By-Law 5 and shall be in multiples of 100 SkyeChip Shares. The LTIP Committee may stipulate any terms and conditions it deems appropriate in an ESOS Award(s) and the terms and conditions of each may differ.
- 34.3 The LTIP Committee shall, in its LTIP Award letter to an Eligible Person(s), state, among others:
- (i) the number of ESOS Option(s) under the ESOS Award(s) that are being awarded to the Eligible Person(s);
 - (ii) the number of the SkyeChip Share(s) which the Eligible Person(s) 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 Exercise Price;
 - (vi) the closing date for acceptance of the ESOS Award(s);
 - (vii) the Vesting Conditions, if any;
 - (viii) the ESOS Vesting Date(s); and
 - (ix) any other terms and conditions deemed necessary by the LTIP Committee.
- 34.4 Without prejudice to By-Law 14, in the event the LTIP Award letter contains an error on the part of the Company in stating any of the particulars in By-Law 34.3 above, the following provisions shall apply:
- (i) as soon as possible but in any event no later than 1 month after discovery of the error, the Company shall issue a supplemental LTIP Award letter, stating the correct particulars referred to in By-Law 34.3;
 - (ii) in the event that the error relates to particulars other than the Exercise Price, the Exercise Price applicable in the supplemental LTIP Award letter shall remain as the Exercise Price as per the original LTIP Award letter; and

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

- (iii) in the event that the error relates to the Exercise Price, the applicable Exercise Price shall be the Exercise Price in the supplemental LTIP Award letter and with effect as at the date of the supplemental LTIP 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 LTIP Award letter.

35. ACCEPTANCE

- 35.1 The ESOS Award(s) shall be valid for acceptance by the Eligible Person(s) for a period of 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.
- 35.2 The ESOS Award(s) shall be accepted by an Eligible Person(s) 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 RM1.00 only, as acceptance of the ESOS Award(s).
- 35.3 The day of receipt by the Company of such written notice shall constitute the date of acceptance of ESOS Award(s).
- 35.4 If the ESOS Award(s) is not accepted in the manner as set out in By-Law 35.2 and within the time as set out in By-Law 35.1 or in the event of death or cessation of employment of the Eligible Person(s) or the Eligible Person(s) 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(s).
- 35.5 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.

36. ESOS VESTING CONDITIONS AND EXERCISE OF OPTIONS

- 36.1 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 the 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 the Group.
- 36.2 The LTIP Committee shall, as and when it deems necessary, review and determine at its own discretion the Vesting Conditions. 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 among 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.
- 36.3 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**").
- 36.4 An ESOS Participant shall exercise his/her 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 an ESOS Participant shall be determined by the LTIP Committee from time to time.

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 36.5 Every written notice to exercise the ESOS Option(s) shall state the number of the SkyeChip Shares that an ESOS Participant intends to subscribe and shall state his CDS Account (“**Notice of Exercise**”).
- 36.6 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 Exercise Price in relation to the number of SkyeChip 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 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 SkyeChip Shares to the ESOS Participant(s) (subject to absolute discretion of the LTIP Committee); and
 - (ii) despatch a notice of allotment to the ESOS Participant, if applicable.
- 36.7 The SkyeChip 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.
- 36.8 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 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).
- 36.9 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 SkyeChip Shares and/or such percentage of the total SkyeChip 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.
- 36.10 An ESOS Participant shall exercise the ESOS Option(s) awarded to him/her in whole or part multiples of 100 new SkyeChip Shares or such other units of the SkyeChip Shares constituting 1 board lot as may be determined by the LTIP Committee, save and except where an ESOS Participant’s balance of ESOS Option(s) exercisable in accordance with these By-Laws shall be less than one 100 new SkyeChip Shares or such other units of the SkyeChip Shares constituting 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).
- 36.11 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.

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

36.12 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;
- (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.

37. NON-TRANSFERABILITY

- 37.1 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.
- 37.2 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 the Group and it shall not be transferred, assigned or disposed of by the ESOS Participant(s).

38. EXERCISE PRICE

- 38.1 Subject to any adjustments in accordance with By-Law 9 and pursuant to the Listing Requirements, the Exercise Price shall be based on a price to be determined by the Board upon recommendation of the LTIP Committee, based on the volume weighted average price of the SkyeChip Shares for the 5 Market Days at 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 and / or any other relevant authorities from time to time during the duration of the Scheme.
- 38.2 The Exercise Price in respect of any offer which is made in conjunction with the listing of the Company shall be the Final Retail Price.

For the purposes of this By-Law, "Final Retail Price" shall refer to the final price paid by the investors for the Shares issued by the Company under its retail offering pursuant to its initial public offering, as determined in the manner described in the Company's prospectus for the said initial public offering.

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)**39. TERMINATION OF ESOS AWARD(S)**

39.1 Prior to the full vesting of any ESOS Award(s) in the manner as provided for under By-Law 36.3, 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 the 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 the 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; or
- (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 the Group on the date a receiving order is made against the ESOS Participant(s) by a court of competent jurisdiction; or
- (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 the Group on the date such event occurs; or
- (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) the company which employs the ESOS Participant(s) ceasing to be part of the Group in such event the ESOS Award(s) shall be automatically terminated and cease or be deemed to cease to be valid on the date the company ceases to be part of the Group; or
- (vi) 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 the Group on the termination date;

whichever shall be applicable.

39.2 Upon the termination of the ESOS Award(s) pursuant to By-Laws 39.1 above, the ESOS Participant(s) shall have no right to compensation or damages or any claim against the Company or any company within the Group from any loss of any right or benefit or prospective right or benefit under the Scheme which he/she might otherwise have enjoyed, whether for wrongful dismissal or breach of contract or loss of office or otherwise howsoever arising from him/her ceasing to hold office or employment or from the suspension of his/her entitlement to the award of, acceptance or vesting of any SOP Award(s) or his/her ESOS Award(s) ceasing to be valid.

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 39.3 Notwithstanding By-Law 39.1 above, the LTIP Committee may at its discretion allow an 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; or
 - (ii) retirement before attaining the normal retirement age with the consent of his/her employer; or
 - (iii) ill-health, injury, physical or mental disability; or
 - (iv) redundancy, retrenchment pursuant to the acceptance by that ESOS Participant(s) or voluntary separation scheme offered by a company within the Group; or
 - (v) any other circumstances as may be deemed as acceptable to the LTIP Committee in its sole discretion.
- 39.4 Applications under By-Law 39.3 above shall be made during the duration of the Scheme and:
- (i) in a case where By-Law 39.3(i), (ii) or (v) is applicable, within 6 months before the ESOS Participant(s)' last day of employment, the ESOS Participant(s) may be vested with such number of unvested SkyeChip Shares under the ESOS Award(s) within the said 1-month period. In the event that no application is received by the LTIP Committee within the said period, any such number of unvested SkyeChip Shares under the ESOS Award(s) at the expiry of the said period shall be automatically terminated;
 - (ii) in a case where By-Law 39.3(iii) is applicable, within 6 months 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 SkyeChip Shares under the ESOS Award(s) within the said 6-month period. In the event that no application is received by the LTIP Committee within the said period, any unvested SkyeChip 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 39.3(iv) is applicable, within 6 months 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, and within 6 months after he/she accepts such offer. Thereafter, any such number of unvested and/or unexercised SkyeChip Shares under the ESOS Award(s) at the expiry of the said period shall be automatically terminated.
- 39.5 The LTIP Committee shall consider applications under By-Law 39.3 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 36. 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 39.1 or on the date of the LTIP Committee's decision, whichever is the later.
- 39.6 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.

ANNEXURE B: BY-LAWS GOVERNING THE LTIP (Cont'd)

- 39.7 Notwithstanding By-Law 39.6 above, the ESOS Participant(s) may, during his/her lifetime, nominate any of his/her immediate family members who have attained the age of eighteen (18) years at the time of nomination to exercise the ESOS Option(s) (which are unexercised at the time of the death of the deceased ESOS Participant(s)) or after the death of the deceased ESOS Participant(s) but in any event during the duration of the scheme. The ESOS Option(s) exercised pursuant to the provision of this By-Law 39.7 may be for the benefit of the estate of the ESOS Participant(s) or the personal benefit of the nominated person. The nomination as aforesaid shall be made by the ESOS Participant(s) during his/her lifetime and shall be in the prescribed form approved by the LTIP Committee and the SkyeChip Shares to be allotted and issued will be in the name of the deceased ESOS Participant(s)'s estate or in the name of the nominated person as the ESOS Participant(s) shall elect in his/her lifetime. In the event no nomination is made by the ESOS Participant(s) during his/her lifetime, his/her unexercised ESOS Option(s) shall only be exercised by the legal personal representatives pursuant to By-Law 39.6 above.
- 39.8 For the purposes of By-Law 39.7 above, the term "immediate family members" shall include the spouse, parent, child (including legally adopted child but excluding step child), brother and sister of the ESOS Participant(s).