

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT ADVISER IMMEDIATELY.

Bursa Malaysia Securities Berhad has only conducted a limited review of the contents in Part A of this Circular in relation to the Proposals (as defined below) and has not perused the content of Part B in relation to the Proposed Share Buy-Back of this Circular (as defined below) prior to its issuance pursuant to Practice Note 18 and Part B being prescribed as an exempt document. Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, valuation certificate and report if any, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



AWC BERHAD

(Registration No. 200101014341 (550098-A))
(Incorporated in Malaysia)

CIRCULAR TO THE SHAREHOLDERS IN RELATION TO THE:

PART A

- (I) **PROPOSED ESTABLISHMENT OF AN EMPLOYEE SHARE OPTION SCHEME (“ESOS”) OF UP TO 15% OF THE TOTAL NUMBER OF ISSUED ORDINARY SHARES IN AWC BERHAD (“AWC”) (EXCLUDING TREASURY SHARES, IF ANY) (“PROPOSED ESOS”);**
- (II) **PROPOSED ALLOCATION OF ESOS OPTIONS UNDER THE PROPOSED ESOS TO THE ELIGIBLE DIRECTOR(S) TO BE DETERMINED AND AS APPROVED BY SHAREHOLDERS; AND**
- (III) **PROPOSED BONUS ISSUE OF UP TO 84,839,895 FREE WARRANTS IN AWC ON THE BASIS OF 1 WARRANT FOR EVERY 4 EXISTING ORDINARY SHARES IN AWC HELD BY ENTITLED SHAREHOLDERS ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER**

PART B

SHARE BUY-BACK STATEMENT IN RELATION TO THE PROPOSED AUTHORITY FOR AWC TO PURCHASE UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF AWC

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



RHB INVESTMENT BANK BERHAD

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

The resolutions in respect of the above proposals will be tabled at the forthcoming Extraordinary General Meeting of our Company (“EGM”). The Notice of the EGM and Form of Proxy are enclosed in this Circular. The Notice of the EGM, Form of Proxy, Administrative Guide for the EGM and this Circular are available online on our Company’s corporate website at www.awc.com.my.

Date and time of the EGM : Wednesday, 17 December 2025 at 10:00 a.m. or at any adjournment thereof

Venue of the EGM : Ballroom III, Main Wing, Tropicana Golf and Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor

Last date and time for lodging the Form of Proxy : Monday, 15 December 2025 at 10:00 a.m.

This Circular is dated 28 November 2025

DEFINITIONS

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

Act	: Companies Act, 2016
Announcement	: Announcement in relation to the Proposals dated 3 November 2025
AGM	: Annual General Meeting of AWC
AWC or Company	: AWC Berhad (Registration No. 200101014341 (550098-A))
AWC Group or Group	: Collectively, AWC and its subsidiaries
AWC Shares or Shares	: Ordinary shares in AWC
Board	: Board of Directors of AWC
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
By-Laws	: The by-laws governing the rules, terms and conditions of the Proposed ESOS as may be modified, varied and/ or amended from time to time
Circular	: This Circular dated 28 November 2025
Code	: Malaysian Code on Take-Overs and Mergers 2016 read together with the Rules on Take-Overs, Mergers and Compulsory Acquisitions, as amended from time to time
Deed Poll	: The deed poll constituting the Warrants and governing the rights of the Warrant Holders to be executed by our Company
Director(s)	: The director(s) of AWC Group and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Services Act 2007
EGM	: Extraordinary General Meeting of AWC
Eligible Person	: Executive Director(s) or employee(s) of our Company or any company within AWC Group (excluding dormant subsidiaries, if any) who meets the eligibility criteria for participation in the Proposed ESOS as set out in the By-Laws and non-executive Director within AWC Group (excluding dormant subsidiaries, if any) who meets the eligibility criteria for participation in Proposed ESOS as set out in the By-Laws
Entitled Shareholders	: The shareholders of AWC whose name appear in our Company's Record of Depositors on the Entitlement Date
Entitlement Date	: A date to be determined and announced later by our Board, on which the names of the Entitled Shareholders must appear in our Company's Record of Depositors as at 5:00 PM in order to participate in the Proposed Bonus Issue of Warrants

DEFINITIONS (Cont'd)

EPS	:	Earnings per AWC Share
ESOS	:	Employees' share option scheme
ESOS Committee	:	The committee to be duly appointed and authorised by our Board pursuant to the By-Laws to administer the ESOS in relation to the Proposed ESOS
ESOS Options	:	The right of an Eligible Person to subscribe for new AWC Shares at the Exercise Price pursuant to the contract constituted by the selected Eligible Person's acceptance of the offer under the Proposed ESOS in the manner and subject to the terms and conditions provided in the By-Laws
FYE	:	Financial year ended/ ending, as the case may be
Exercise Price	:	Exercise price per AWC Share to be issued under the Proposed ESOS
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	31 October 2025, being the latest practicable date before the printing of this Circular
Major Shareholder	:	Means a person who has an interest or interests in one or more voting shares in our Company and the number of aggregate number of those shares is, (a) 10% or more of the total number of voting shares in our company; or (b) 5% or more of the total number of voting shares in our Company where such person is the largest shareholder of our Company
MFRS 2	:	Malaysian Financial Reporting Standards 2 on Share-based Payment as issued by the Malaysian Accounting Standard Board
NA	:	Net assets
Offer Date	:	The date on which an Offer is made by the ESOS Committee in writing to a selected Eligible Person to participate in the Proposed ESOS
Person(s) Connected	:	Person connected as defined in Paragraph 1.01 of the Listing Requirements
Proposals	:	The Proposed ESOS, Proposed Allocation and Proposed Bonus Issue of Warrants, collectively
Proposed Allocation	:	Proposed allocation of ESOS Options to the eligible Directors, chief executive of AWC and/ or Persons Connected to them under the Proposed ESOS
Proposed Bonus Issue of Warrants	:	Proposed bonus issue of up to 84,839,895 free Warrants on the basis of 1 Warrant for every 4 existing AWC Shares held by the Entitled Shareholders on the Entitlement Date
Proposed ESOS	:	Proposed establishment of an ESOS of up to 15% of the total number of issued shares of AWC (excluding treasury shares, if any) at any point in time over the duration of the ESOS for Eligible Persons

DEFINITIONS (Cont'd)

Proposed Share Buy-Back	:	Proposed authority for AWC to purchase up to 10% of the total number of issued AWC Shares
Purchased Shares	:	Shares purchased by our Company pursuant to the Proposed Share Buy-Back
Record of Depositors	:	A record of securities holders established and maintained by Bursa Depository under the Rules of Bursa Depository
RHB Investment Bank or Principal Adviser	:	RHB Investment Bank Berhad (Registration No. 197401002639 (19663-P))
RM	:	Malaysian Ringgit
Rules of Bursa Depository	:	Rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act 1991
VWAP	:	Volume-weighted average price
Warrants	:	Free warrants in AWC to be issued pursuant to the Proposed Bonus Issue of Warrants
Warrant Holders	:	The holders of the Warrant

All references to “**our Company**” in this Circular are to AWC, and references to “**Our Group**” are to our Company and our subsidiaries. References to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company, and where the context otherwise requires, shall include our subsidiaries. All references to “**you**” in this Circular are to our shareholders.

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine shall, where applicable, include the feminine and/ or neuter gender, and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated. Any discrepancies in the tables included in this Circular between the amounts stated, actual figures and totals thereof are due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board after due inquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. Hence, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that our Company's and/ or our Group's plans and objectives will be achieved.

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NOTICE OF EGM
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ENCLOSED
ENCLOSED

PART A

**LETTER TO OUR SHAREHOLDERS IN RELATION TO THE
PROPOSALS**

EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY HIGHLIGHTS ONLY THE SALIENT INFORMATION OF THE PROPOSALS CONTAINED IN THIS CIRCULAR. YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR AND THE APPENDICES CONTAINED HEREIN IN ITS ENTIRETY FOR FURTHER DETAILS AND NOT TO RELY SOLELY ON THIS EXECUTIVE SUMMARY IN FORMING A DECISION ON THE PROPOSALS BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT OUR FORTHCOMING EGM.

Key information	Summary	Reference to Circular
Details of the Proposals	<u>Proposed ESOS</u>	Section 2
	The Proposed ESOS entails the proposed establishment of an ESOS with an aggregate maximum of up to 15% of the total number of issued AWC Shares (excluding treasury shares) at any point in time during the duration of the Proposed ESOS, to be made available to Eligible Persons.	
	<u>Proposed Allocation</u>	Section 3
	The Proposed Allocation involves the allocation of ESOS Options to the Eligible Persons of the Company and/ or Persons Connected to them.	
Rationale and justification for the Proposals	<u>Proposed Bonus Issue of Warrants</u>	Section 4
	The Proposed Bonus Issue of Warrants entails the issuance of up to 84,839,895 Warrants, on the basis of 1 Warrant for every 4 existing AWC Shares held by Entitled Shareholders on the Entitlement Date.	
	The Warrants will be issued at no cost to the Entitled Shareholders and the exercise price of the Warrants will be determined and announced at a later date by our Board after the receipt of all relevant approvals for the Proposed Bonus Issue of Warrants but before the announcement of the Entitlement Date.	
	<u>The Proposed ESOS is intended to:</u>	Section 7.1
	(i) reward the Eligible Persons who are vital to the continued growth and execution of business strategies within our Group;	
	(ii) attract talents and retain key employees that will be pertinent in driving our Group's objectives;	
	(iii) align the interests of the Eligible Persons with the interests of the shareholders of our Company;	
	(iv) serve as an alternative form of employees' remuneration which does not result in cash outflow for our Group but instead allows for fund-raising upon exercise of the ESOS Options by the Eligible Persons; and	
	(v) ensure that our Group's compensation package remains competitive and aligned with prevailing industry practices.	

EXECUTIVE SUMMARY (Cont'd)

	<u>The Proposed Bonus Issue of Warrants is intended to:</u>	Section 7.2
	(i) reward the existing shareholders of our Company for their loyalty and continued support; and	
	(ii) strengthen our Company's financial position and capital base as the exercise of the Warrants may provide additional working capital.	
Approvals required	The Proposals are subject to, among others, approvals being obtained from the following:	Section 11
	(i) Bursa Securities, which was obtained on 25 November 2025; and	
	(ii) Shareholders of the Company at the EGM.	
Interests of Directors, Major Shareholders, chief executive and/ or Persons Connected with them	<u>Proposed ESOS</u> All executive and non-executive Directors are entitled to participate in the Proposed ESOS and are therefore deemed interested to the extent of their respective Proposed Allocation and the proposed allocations to Persons Connected to them under the Proposed ESOS. Dato' Ahmad Kabeer Bin Mohamed Nagoor, being our Group Chief Executive Officer/ President who is also the Major Shareholder of our Company is eligible to be awarded the ESOS Options under the Proposed ESOS and he is therefore deemed interested in the Proposed ESOS and proposed allocation to him and the proposed allocations to the Persons Connected to him under the Proposed ESOS.	Section 12.1
	<u>Proposed Bonus Issue of Warrants</u> None of our Directors, Major Shareholders, chief executive of our Company and/ or Persons Connected with them have any interest, whether direct or indirect, in the Proposed Bonus Issue of Warrants, save for their respective entitlements as shareholders of our Company under the Proposed Bonus Issue of Warrants, which is also available to all other Entitled Shareholders of our Company on a pro-rata basis.	Section 12.2
Directors' recommendation	Our Board, after having considered all aspects of the Proposed ESOS and Proposed Bonus Issue of Warrants is of the opinion that the Proposed ESOS and Proposed Bonus Issue of Warrants are in the best interest of our Company and recommends that you vote in favour of the resolutions pertaining to the Proposed ESOS and Proposed Bonus Issue of Warrants at the forthcoming EGM	Section 13



AWC BERHAD

(Registration No. 200101014341 (550098-A))
(Incorporated in Malaysia)

Registered Office

Third Floor, No. 77, 79 & 81
Jalan SS21/60, Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan

28 November 2025

Board of Directors

Dato' Nik Mod Amin Bin Nik Abd Majid	<i>(Non-Independent Non-Executive Chairman)</i>
Dato' Ahmad Kabeer Bin Mohamed Nagoor	<i>(Group Chief Executive Officer/ President)</i>
Sureson A/L Krisnasamy	<i>(Independent Non-Executive Director)</i>
Yang Mulia Tunku Puan Sri Dato' Hajjah Noor	<i>(Independent Non-Executive Director)</i>
Hayati Binti Tunku Abdul Rahman Putra Al-Haj	
Datuk Hashim Bin Wahir	<i>(Independent Non-Executive Director)</i>

To: Our Shareholders

Dear Sir / Madam,

- I. PROPOSED ESOS;**
- II. PROPOSED ALLOCATION; AND**
- III. PROPOSED BONUS ISSUE OF WARRANTS**

1. INTRODUCTION

On 3 November 2025, RHB Investment Bank had, on behalf of our Board announced that our Company proposes to undertake the following:

- (i) an establishment of an ESOS of up to 15% of the total number of issued Shares of our Company (excluding treasury shares, if any) at any point in time during the duration of the ESOS for the Eligible Persons who fulfil the eligibility criteria as set out in the By-Laws governing the Proposed ESOS;
- (ii) proposed allocation of ESOS Options to the Eligible Persons under the Proposed ESOS; and
- (iii) a bonus issue of up to 84,839,895 free Warrants on the basis of 1 Warrant for every 4 existing AWC Shares held by the Entitled Shareholders on the Entitlement Date.

On 26 November 2025, RHB Investment Bank had, on behalf of our Board, announced that Bursa Securities had, vide its letter dated 25 November 2025, resolved to approve the following:

- (i) listing of and quotation for such number of AWC Shares, representing up to 15% of the total number of issued Shares (excluding treasury shares, if any) that may be issued pursuant to the Proposed ESOS;
- (ii) admission of the Warrants to the Official List of Bursa Securities and listing of and quotation for up to 84,839,895 Warrants to be issued pursuant to the Proposed Bonus Issue of Warrants; and
- (iii) listing of and quotation for up to 84,839,895 new AWC Shares to be issued arising from the exercise of the Warrants on the Main Market of Bursa Securities,

subject to conditions as disclosed in **Section 11** of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSALS AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT OUR FORTHCOMING EGM. THE NOTICE OF EGM AND THE FORM OF PROXY ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT OUR FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED ESOS

The aggregate number of our Shares made available for the Proposed ESOS, at any point in time over its duration, shall be up to 15% of the total number of issued shares in AWC (excluding treasury shares, if any). The Proposed ESOS which is subject to the approvals required under the Listing Requirements, will be offered to the Eligible Persons at specified prices to be determined in the manner as set out in **Section 2.1.5** of this Circular.

The Proposed ESOS will be administered in accordance with the By-Laws by the ESOS Committee, who will be responsible for, amongst others, implementing, allocating and administering the Proposed ESOS in accordance with the provisions set out in the By-Laws. The ESOS Committee will comprise of such number of Directors and/ or senior management of AWC Group to be identified and appointed from time to time by the Board. The composition of the ESOS Committee has yet to be determined at this juncture.

The Proposed ESOS serves to attract, retain, motivate and reward the Eligible Persons through the award of AWC Shares that will be vested to Eligible Persons upon them attaining certain performance objectives and any other vesting conditions as may be determined by the ESOS Committee in its sole and absolute discretion.

The ESOS Committee may at its absolute discretion decide that the ESOS Options may be satisfied via the issuance of new AWC Shares.

In deciding the method of satisfaction as set out above, the ESOS Committee may take into consideration amongst others, factors such as the prevailing market price of AWC Shares, funding requirements of the Group, the dilutive effects of any such issuance on the Company's share capital base, future returns and potential cost arising from the ESOS Options and vesting of the ESOS Options as well as any applicable laws, regulatory requirements and/ or administrative constraints, if relevant.

2.1 Salient terms of the Proposed ESOS

2.1.1 Maximum number of Shares available under the Proposed ESOS

The number of AWC Shares which may be made available under the Proposed ESOS shall be a maximum of 15% of the total number of issued AWC Shares (excluding treasury shares) at any point in time during the duration of the Proposed ESOS ("**Maximum AWC Shares**").

If the total number of AWC Shares made available under the Proposed ESOS exceeds the Maximum AWC Shares as a result of AWC purchasing its own shares, reducing its total number of issued AWC Shares and/ or undertaking any other corporate proposals resulting in the reduction of the total number of issued AWC Shares, all ESOS Options offered before the said variation of the total number of issued AWC Shares shall remain valid and the AWC Shares comprised in such ESOS Options may be vested as if that purchase, reduction and/ or corporate proposed had not occurred. However, no further ESOS Options shall be offered by AWC unless the total number of AWC Shares made available under the Proposed ESOS falls below the Maximum AWC Shares.

2.1.2 Basis of allocation and maximum allowable allotment

The allocation of AWC Shares to be made available to an Eligible Person under the Proposed ESOS shall be determined by the ESOS Committee.

Subject to the By-Laws, the aggregate number of AWC Shares that may be offered, allotted and issued to any of the Eligible Persons under the Proposed ESOS will be at the sole and absolute discretion of the ESOS Committee subject to the following:

- (i) the total number of AWC Shares made available under the Proposed ESOS shall not exceed the Maximum AWC Shares;
- (ii) not more than 10% of the Maximum AWC Shares shall be allocated to any Eligible Persons who, either singly or collectively through Persons Connected with the Eligible Persons, hold 20% or more of the total number of issued AWC Shares (excluding treasury shares), in accordance with the Listing Requirements ("**Maximum Limit For Eligible Person**");
- (iii) the maximum aggregate allocation of AWC Shares to be offered to our Director, if any and the senior management⁽¹⁾ of our Group under the Proposed ESOS shall be up to 70% of the Maximum AWC Shares and subject to the Maximum Limit for Eligible Person; and
- (iv) the Eligible Persons of our Group shall not participate in any deliberation or discussion and/ or shall abstain from making/ voting on any resolution on their own respective allocations and/ or allocations to persons connected with them under the Proposed ESOS.

The ESOS Committee at its sole and absolute discretion may decide to offer one or more ESOS Options to any Eligible Persons during the duration of the Proposed ESOS.

Note:

- (1) Senior management shall refer to an employee within our Group (excluding dormant subsidiaries, if any) who holds a position of significant managerial responsibility, typically at the level of senior manager equivalent and above, and is nominated at any time and shall be subject to any other criteria to be determined by the ESOS Committee from time to time.

2.1.3 Eligibility

Subject to the discretion of the ESOS Committee, only Eligible Persons who meet the following conditions as at the date on which and in compliance with the By-Laws, the ESOS Options made by the ESOS Committee shall be eligible to participate in the Proposed ESOS:

- (i) in respect of an employee, the employee must fulfil the following criteria:
 - (a) he/ she attained the age of at least 18 years and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (b) he/ she is employed on a full-time basis and has been in the employment of the Company or any company in the Group for such period as may be determined by the ESOS Committee prior to and up to the Offer Date and has not served a notice of resignation nor received a notice of termination; and
 - (c) he/ she is serving in a specific designation under the employment contract for a fixed duration excluding those who are employed for a specific project or on short-term contract or any other employees under contract as may be determined by the ESOS Committee.
- (ii) In respect of a Director, the Director must fulfil the following criteria:
 - (a) he/ she has attained the age of at least 18 years and is not an undischarged bankrupt nor subject to any bankruptcy proceedings; and
 - (b) he/ she has been appointed as a Director of the Company or any company in the Group (including Executive or Non-Executive and / or independent or non-independent Directors of AWC Group) for such period as may be determined by the ESOS Committee prior to and up to the Offer Date and has not served a notice of resignation nor received a notice of termination.

Subject to applicable laws, the ESOS Committee may determine any other eligibility criteria and/ or vary or revise and/ or waive any of the eligibility criteria set out in the By-Laws at any time and from time to time, at its sole and absolute discretion.

In assessing eligibility and allocation including any vesting period, the ESOS Committee may consider overall performance, contribution and conduct of Eligible Persons that must be achieved, and such other factors that the ESOS Committee deems appropriate before the ESOS Options can be vested. This is to align individual rewards with the Group's long-term objectives while retaining flexibility to set specific performance criteria when necessary.

Where a specific allocation is proposed to be made to an Eligible Person who is a Director, Major Shareholder, chief executive officer of AWC ("**Interested Parties**") or Persons Connected, such specific allocation to the said person(s) under the Proposed ESOS must be approved by the shareholders of the Company at a general meeting provided always that such Interested Parties and/ or Persons Connected with them shall abstain from voting on the resolution approving their respective allocations, in accordance with Paragraph 6.06 of the Listing Requirements.

In the event that the Eligible Person is a member of the ESOS Committee, such Eligible Person shall not participate in the deliberation or discussion of his / her own allocation.

2.1.4 Duration and termination of the Proposed ESOS

The Proposed ESOS shall be in force for a duration of 5 years commencing from the effective date of implementation of the Proposed ESOS, being the date of full compliance with all relevant provisions of the Listing Requirements in relation to the Proposed ESOS by our Company, as more particularly set out in the By-Laws. Notwithstanding the foregoing, the Proposed ESOS may be extended for a further period of up to 5 years at our Board's sole and absolute discretion upon the ESOS's Committee's recommendation, provided always that the initial period as stipulated above and such extension of the Proposed ESOS shall not in aggregate exceed 10 years from the effective date, or such other duration as may be prescribed by Bursa Securities in compliance with the Listing Requirements. All unvested AWC Shares comprised in any ESOS Options shall forthwith cease to be capable of vesting upon expiration of the Proposed ESOS

Subject to the compliance with the Listing Requirements, other requirements of Bursa Securities and any other relevant authorities, the Company may, if the Board deems fit and upon the recommendation of the ESOS Committee, at any time during the duration of the Proposed ESOS, terminate the Proposed ESOS in accordance with the terms of the By-Laws provided that an announcement is released to Bursa Securities on the following:

- (i) the effective date of termination;
- (ii) the number of AWC Shares vested and ESOS options exercised; and
- (iii) the reasons for termination.

2.1.5 Exercise Price

Subject to any adjustments made under the By-Laws and pursuant to the Listing Requirements, the Exercise Price and reference price per AWC Share in respect of any ESOS Options made under the Proposed ESOS shall be determined by the ESOS Committee based on the 5-day VWAP of AWC Shares immediately preceding the Offer Date of the ESOS Options, with a discount of not more than 10% or such other percentage of discount as may be permitted by any prevailing guideline issued by Bursa Securities and/ or any other relevant authorities as amended from time to time during the tenure of the Proposed ESOS as determined by the Board upon recommendation of the ESOS Committee.

2.1.6 Ranking of the new AWC Shares

The new AWC Shares to be allotted and issued pursuant to the Proposed ESOS will be subject to the provisions of the Constitution of our Company and shall upon allotment and issuance, rank *pari-passu* in all respects with the then existing AWC Shares in issue as at the date of allotment of the new AWC Shares, save and except that such new AWC Shares shall not be entitled to any voting rights, dividends, rights, allotments and/ or any other forms of distributions that may be declared, made or paid, for which the record date precedes the date of allotment of the new AWC Shares pursuant to the Proposed ESOS.

The AWC Shares to be allotted and issued to the Eligible Persons pursuant to the Proposed ESOS shall be allotted and issued together with all voting rights, dividends, rights, allotments and/ or any other forms of distributions that may be declared, made or paid, for which the entitlement date of which is on or after the date the Shares are credited to the Central Depository System accounts of the Eligible Persons.

2.1.7 Retention Period

The ESOS Committee shall be entitled to prescribe or impose, in relation to any ESOS Options, any condition relating to any retention period or restriction on the transfer of the Shares to be issued pursuant to the Proposed ESOS as it deems fit.

Notwithstanding the above, an Eligible Person who is a non-executive Director must not sell, transfer or assign any Shares obtained through the exercise or vesting of the Shares pursuant to the ESOS Options within 1 year from the Offer Date pursuant to Paragraph 8.20 of the Listing Requirements.

2.1.8 Listing of and quotation for the new AWC Shares to be issued pursuant to the Proposed ESOS

Bursa Securities had vide its letter dated 25 November 2025, approved the listing of and quotation for such number of new AWC Shares, representing up to 15% of the total number of issued shares in our Company, which may be issued pursuant to the Proposed ESOS on the Main Market of Bursa Securities.

2.1.9 Alteration of share capital

In the event of any alteration in the capital structure of our Company prior to the last day of the duration of the Proposed ESOS, whether by way of a capitalisation issue, rights issue, bonus issue, consolidation or subdivision of Shares or reduction of capital or any other variation of capital, our Company may in its discretion in good faith cause such adjustment to be made to the Exercise Price and/ or number of AWC Shares which shall be exercisable or vested.

2.1.10 Amendment and/ or modification to the Proposed ESOS

Subject to the compliance with the By-Laws and the Listing Requirements and any other relevant authorities and their approvals being obtained (if required under the Listing Requirements and applicable laws and regulations), the ESOS Committee may at any time and from time to time recommend to our Board any additions or amendments to or deletions of the By-Laws as it shall in its discretion think fit and our Board shall have the power by resolution to add to, amend or delete all or any of these By-Laws upon such recommendation provided always that no additions or amendments to or deletions of these By-Laws shall be made which will:

- (i) prejudice any rights then accrued to any Eligible Person without prior consent or sanction of that Eligible Person (as the case may be);
- (ii) increase the number of AWC Shares available under the Proposed ESOS beyond the maximum amount set out in the By-Laws;
- (iii) prejudice any rights of the shareholders of our Company without the prior approval of our Company's shareholders in a general meeting; or
- (iv) alter to the advantage of an Eligible Person, any matters which is required to be contained in the By-Laws by virtue of the Listing Requirements;

Subject to our Company submitting a confirmation letter each time an amendment and/ or modification is made stating that the amendment and/ or modification does not contravene any of the provisions of the Listing Requirements and Rules of Depository pertaining to the Proposed ESOS, no later than 5 market days after the effect date of the said amendment or modification is made.

The ESOS Committee shall within 5 market days of any amendment and/ or modification made pursuant to the By-Laws notify the Eligible Person in writing of any amendment and/ or modification made pursuant to the By-Laws.

3. DETAILS OF THE PROPOSED ALLOCATION

Paragraph 6.06(1) of the Listing Requirements states that our Company must not issue any shares to our Directors, Major Shareholders or chief executive or a person connected with them unless its shareholders in a general meeting have approved the specific allotment to be made to them. Accordingly, our Company will seek our shareholders' approval at the forthcoming EGM for the proposed allocation of the ESOS Options to the following persons;

<u>Name</u>	<u>Designation</u>
Directors of AWC	
Dato' Nik Mod Amin Bin Nik Abd Majid	Non-Independent Non-Executive Chairman
Sureson A/L Krisnasamy	Independent Non-Executive Director
Yang Mulia Tunku Puan Sri Dato' Hajjah Noor Hayati Binti Tunku Abdul Rahman Putra Al-Haj	Independent Non-Executive Director
Datuk Hashim Bin Wahir	Independent Non-Executive Director
Director, Major Shareholder and Chief Executive of AWC	
Dato' Ahmad Kabeer Bin Mohamed Nagoor	Group Chief Executive Officer / President
Persons Connected to the Director, Major Shareholder and Chief Executive of AWC	
Ahmad Nazim Bin Ahmad Kabeer	Vice President, Group CEO Office
Ahmad Syahin Bin Ahmad Kabeer	Special Officer to CEO

4. DETAILS OF THE PROPOSED BONUS ISSUE OF WARRANTS

4.1 Basis and number of Warrants to be issued

The Proposed Bonus Issue of Warrants entails the issuance of up to 84,839,895 Warrants, on the basis of 1 Warrant for every 4 existing AWC Shares held by Entitled Shareholders on the Entitlement Date.

The Warrants will be issued at no cost to the Entitled Shareholders and the exercise price of Warrants will be determined and announced at a later date by our Board after the receipt of all relevant approvals for the Proposed Bonus Issue of Warrants but before the announcement of the Entitlement Date.

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

As at the LPD, the issued share capital of our Company is RM130,933,556 comprising of 339,359,583 AWC Shares and RM1,287,081 comprising of 4,628,700 treasury shares.

The actual number of Warrants to be issued under the Proposed Bonus Issue of Warrants will depend on the number of AWC Shares in issue (excluding treasury shares, if any) on the Entitlement Date.

The basis of entitlement for the Proposed Bonus Issue of Warrants was determined after taking into consideration the following:

- (i) the Warrants will be issued at no cost to the Entitled Shareholders;
- (ii) the dilutive effects arising from the full exercise of Warrants on the consolidated earnings per Share ("**EPS**") of the Company;
- (iii) the amount of proceeds the Company could potentially raise as and when the Warrants are exercised during the exercise period of the Warrants; and
- (iv) the requirement to comply with Paragraph 6.50 of the Listing Requirements, which states that the number of new AWC Shares that will arise from the exercise of all outstanding convertible equity securities, shall not exceed 50% of the total number of issued shares (excluding treasury shares and before the exercise of the convertible equity securities) at all times.

As illustrated in the table below, the number of new AWC Shares of up to 84,839,895 to be issued pursuant to the exercise of the Warrants complies with Paragraph 6.50 of the Listing Requirements:

Number of AWC Shares as at LPD (excluding treasury shares)	(A)	339,359,583
Number of AWC Shares to be issued pursuant to the exercise of the Warrants	(B)	84,839,895
% of new AWC Shares	(B) / (A)	25%

Fractional entitlements of the Warrants, if any, shall be disregarded and dealt with in such manner as our Board may in its absolute discretion as it may deem fit, expedient, and in the best interest of our Company.

The Proposed Bonus Issue of Warrants is not intended to be implemented in stages over a period of time. No reserves will be capitalised for the issuance of the Warrants for the Proposed Bonus Issue of Warrants.

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4.2 Basis of determining the issue price and exercise price of the Warrants

The Warrants will be issued at no cost to the Entitled Shareholders and the exercise price of Warrants will be determined and announced at a later date by our Board after the receipt of all relevant approvals for the Proposed Bonus Issue of Warrants but before the announcement of the Entitlement Date.

The exercise price of the Warrants will be determined and fixed by our Board after taking into consideration, amongst others, the following:

- (i) the historical price movement of AWC Shares;
- (ii) the 5-day VWAP of AWC Shares immediately preceding the price-fixing date to be determined and announced later.

Our Board intends to fix the exercise price of the Warrants at a premium range of 20% to 30% to the 5-day VWAP of AWC Shares immediately preceding the price-fixing date. The abovementioned range of premium will allow our Board to fix the exercise price of the Warrants to incentivise the Warrant Holders to exercise the Warrants as the Warrants later when the market price of AWC Shares exceeds the exercise price for the Warrants, and encourage them to increase their equity participation in our Company without immediate dilution. In consideration with the long term prospects of the financial performance and future growth in our Group this would enable greater amount of proceeds available to our Group which is to be utilised for in our operation in the future, while also allowing our Board the necessary flexibility to accommodate for potential fluctuations in prevailing market conditions and prices.

For illustrative purposes, the illustrative exercise price of the Warrants is assumed at RM0.93 per Warrant, which represents a premium of approximately 23.87% to the 5-day VWAP of AWC Shares up to and including the LPD of RM0.7508; and

- (iii) the Warrants are exercisable at any time for a tenure of 5 years from the date of issuance, which may provide AWC's shareholders with an alternative to participate in the equity of our Company and potentially realise a capital gain in the event of any share price appreciation.

Our Board is of the view that the exercise of the Warrants may raise additional funds for our Group in the future, as well as improve the trading liquidity of our Shares with the increase in the number of our Shares in issue as and when the Warrants are exercised.

An announcement on the exercise price of the Warrants, the basis of determining the exercise price of the Warrants and justification for the pricing will be made by our Board on the price-fixing date of the Warrants.

4.3 Ranking of the Warrants and new AWC Shares to be issued arising from the exercise of the Warrants

The Warrant Holders will not be entitled to any voting rights or right to participate in any form of distribution other than on winding up, compromise or arrangement of our Company as set out in the Deed Poll and / or offer of further securities in our Company until and unless such Warrant Holders exercise their Warrants into new AWC Shares.

The new AWC Shares to be issued pursuant to the exercise of the Warrants will, upon allotment and issuance, rank *pari-passu* in all respects with the existing AWC Shares, save and except that the new AWC Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the new AWC Shares.

4.4 Listing and quotation of the Warrants and new AWC Shares to be issued arising from the exercise of the Warrants

Bursa Securities had, vide its letter dated 25 November 2025, approved the admission of the Warrants to the Official List of Bursa Securities and the listing of and quotation for up to 84,839,895 Warrants to be issued pursuant to the Proposed Bonus Issue of Warrants and up to 84,839,895 new AWC Shares to be issued arising from the exercise of the Warrants on the Main Market of Bursa Securities.

4.5 Salient terms of the Warrants

The indicative salient terms of the Warrants are set out below:

Terms	Details
Issue size	: Up to 84,839,895 Warrants.
Form and denomination	: The Warrants which are free will be credited directly into the respective Securities Accounts of the Eligible Persons, and no physical scrips shall be issued.
Exercise price	: The exercise price of the Warrants shall be determined and fixed by the Board at a later date after obtaining the relevant approvals but before an entitlement date to be determined later.
Exercise rights	: Each Warrant entitles the registered holder to subscribe for 1 new AWC Share at any time during the exercise period at the exercise price (subject to adjustments in accordance with the provisions of the Deed Poll).
Exercise period	: The Warrants may be exercised at any time within 5 years commencing on and including the date of issuance of the Warrants. Warrants not exercised during the exercise period will thereafter lapse and cease to be valid.
Mode of exercise	: The registered holder of the Warrants is required to lodge an exercise form, as set out in the Deed Poll, with the Company's registrar, duly completed, signed and stamped together with payment of the exercise price for the new AWC Shares subscribed for by banker's draft, cashier's order, money order, postal order, or any other mode of payment in Ringgit Malaysia as approved by the Board, drawn on a bank or post office operating in Malaysia.
Board lot	: For the purpose of trading on Bursa Securities, 1 board lot of Warrants shall comprise 100 Warrants carrying the right to subscribe for 100 new AWC Shares at any time during the exercised period, or such other denomination as determined by Bursa Securities from time to time.
Adjustments in the exercise price and/or number of the Warrants	: The exercise price and/or number of unexercised Warrants shall be adjusted in accordance with the provisions of the Deed Poll.

Rights of the Warrants	: The Warrants Holders are not entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid where the entitlement date precedes the date of allotment and issuance of the new AWC Shares upon the exercise of the Warrants. The Warrants Holders are not entitled to any voting rights or participation in any form of distribution and/or offer of securities in the Company until and unless such Warrants Holders exercise their Warrants into new AWC Shares.
Rights in the event of winding-up, liquidation, compromise and/or arrangement	<p>: If a resolution is passed for a members' voluntary winding up of the Company or there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with one or more companies, then:</p> <p>(i) for the purposes of such winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation) to which the Warrant Holders (or some person designated by them for such purpose by special resolution) shall be a party, the terms of such winding up, compromise and arrangement shall be binding on all the Warrants Holders; and</p> <p>(ii) in any other case, every Warrants Holder shall be entitled upon and subject to the conditions at any time within 6 weeks after the passing of such resolution for a members' voluntary winding-up of the Company or the granting of the court order approving the compromise or arrangement (as the case may be), to exercise their Warrants by submitting the exercise form duly completed authorising the debiting of his Warrants together with payment of the relevant exercise price to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the exercise rights to the extent specified in the exercise form(s) and had on such date been the holder of the new Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly.</p>
Listing status	: The Warrants will be listed and traded on the Main Market of Bursa Securities. Approval will be sought from Bursa Securities for the admission of the Warrants to the Official List of the Main Market of Bursa Securities as well as for the listing of and quotation for the Warrants and the new AWC Shares to be issued pursuant to the exercise of the Warrants on the Main Market of Bursa Securities.
Governing law	: The laws of Malaysia.

5. UTILISATION OF PROCEEDS

5.1 Proposed ESOS

Our Company will receive proceeds as and when the ESOS Options are exercised. However, the actual amount of proceeds will be dependent on the number of ESOS Options granted and exercised at the relevant point in time and the reference price payable upon the exercise of the ESOS Options. As such, the exact amount of proceeds to be received cannot be determined at this juncture. The estimated expenses arising from the Proposed ESOS of approximately RM0.20 million will be funded by our Group's internally generated funds. The breakdown for the expenses is tabulated below:

Estimated expenses for the Proposed ESOS	RM
Professional fees	150,000
Fees to authorities	14,000
Other miscellaneous such as printing and media related and reserved funds for contingency	32,000
Total	196,000

The proceeds arising from the exercise of the ESOS Options as and when received will be utilised for the working capital requirements of our Group, which may include the day-to-day operations, amongst others, repayment of trade creditors, general expenses such as but not limited to staff costs, rental and utilities. The proceeds are expected to be utilised within 12 months from the receipt of such proceeds throughout the tenure of the Proposed ESOS. However, the proceeds to be utilised for each component of working capital requirements are subject to the operating and funding requirements of the Group at the point of utilisation and therefore cannot be determined at this juncture.

Pending the utilisation of proceeds raised as and when the ESOS Options are exercised, the proceeds will be placed in deposits with licensed financial institutions or short-term money market instruments. The interests derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used to fund our Group's working capital requirement as set out in the preceding paragraph above.

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5.2 Proposed Bonus Issue of Warrants

The Proposed Bonus Issue of Warrants will not raise any immediate funds for our Company as the Warrants will be issued at no cost to the Entitled Shareholders. The amount of proceeds to be raised would depend on the actual number of Warrants exercised during the exercise period. As such, the exact quantum to be raised cannot be determined at this juncture.

The estimated expenses arising from the Proposed Bonus Issue of Warrants of approximately RM0.15 million will be funded by our Group's internally generated funds. The breakdown for the expenses is tabulated below:

Estimated expenses for the Proposed Bonus Issue of Warrants	RM
Professional fees	73,000
Fees to authorities	49,000
Other miscellaneous such as printing and media related and reserved funds for contingency	32,000
Total	154,000

Assuming the full exercise of the Warrants at the exercise price of RM0.93 each, our Company is expected to raise gross proceeds of up to RM78.90 million.

Such proceeds to be raised, as and when the Warrants are exercised, are expected to fund the working capital requirements of our Group in the following manner:

Details of utilisation for general working capital requirements	%
Payment for trade and other payables (i.e statutory payments, utilities, and legal and compliance)	40
Staff-related costs (i.e. salaries, Employees Provident Fund (EPF) and Social Security Organization (SOCSO) contribution and other benefits)	40
Other operating expenses such as professional fees, rental, business and product development	20
	<u>100.0</u>

Nevertheless, our Board anticipates that any proceeds to be raised from the exercise of the Warrants will be utilised by our Group within 12 months from the date of receipt of such proceeds.

Notwithstanding the above, the proposed utilisation of proceeds are subject to the operational requirements of our Group at the point of utilisation, and thus the actual timeframe and actual breakdown are not determinable at this juncture.

Pending the utilisation of proceeds raised as and when the Warrants are exercised, the proceeds will be placed in deposits with licensed financial institutions or short-term money market instruments. The interests derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used to fund our Group's working capital requirement as set out in the table above.

6. OTHER FUND RAISING EXERCISES IN THE PAST 12 MONTHS

Our Company has not undertaken any other fund raising exercises in the 12 months prior to the date of this Circular.

7. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSALS

After due consideration, our Board is of the view that the Proposals are the most appropriate avenue for rewarding the existing shareholders and employees.

7.1 Proposed ESOS

The Proposed ESOS is intended:

- (i) to recognise and reward Eligible Persons by giving recognition to their contributions and services that are considered vital to the operations of our Group, hence motivating employee performance to create sustainable growth and profitability for our Group;
- (ii) to retain, motivate and 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 AWC Shares upon disposal;
- (iii) to align interest of Eligible Persons with that of the shareholders through the achievement of our Group's objectives and plans;
- (iv) to serve as an alternative form of employees' remuneration which does not result in cash outflow for our Group but instead allows for fund-raising upon exercise of the ESOS Options by the Eligible Persons; and
- (v) to attract prospective employees with relevant skills and experience to our Group by making compensation packages offered more competitive.

The Proposed ESOS is also extended to non-executive Directors of our Group in recognition of their contributions towards the growth and performance of our Group.

7.2 Proposed Bonus Issue of Warrants

The Proposed Bonus Issue of Warrants aims to reward the existing shareholders of our Company for their loyalty and continuing support, by providing an option to further increase their equity participation in our Company at a pre-determined price over the tenure of the Warrants and to benefit from the future growth and any potential capital appreciation of our Shares arising therefrom.

Further, the Proposed Bonus Issue of Warrants will also strengthen our Company's financial position and capital base, as the Warrants may potentially provide additional working capital as and when the Warrants are exercised without incurring interest costs as compared to bank borrowings.

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8. INDUSTRY OVERVIEW, OUTLOOK AND FUTURE PROSPECTS OF THE GROUP

8.1 Overview and outlook of the Malaysian Economy

Malaysia's economy grew by 5% in the fourth quarter of 2024. On the demand side, the expansion was driven by robust private sector spending. This includes household consumption anchored by steady income and employment growth as well as a sustained momentum of investment with a double-digit expansion.

Overall, Malaysia's GDP recorded a higher growth of 5.1% in 2024, fuelled by robust domestic demand and a rebound in net exports. While consumption continues to drive the economy, investment has posted an impressive growth of 12%, marking its strongest expansion since 2012.

(Source: Malaysian Economy Fourth Quarter 2024, Ministry of Finance Malaysia)

Malaysia's economy remains strong, having grown by a steady 4.4% in the first six months of the year. Growth is projected to continue within the range of 4% – 4.8% in 2025 and 4% – 4.5% in 2026. These projections are consistent with the International Monetary Fund ("IMF") in the World Economic Outlook Update, July 2025, which forecasts Malaysia's growth at 4.5% for 2025 and 4% for 2026.

The growth will mainly be underpinned by strong domestic demand, moderate inflation, favourable labour market and proactive policies undertaken by the Government. The performance will also be supported by the ASEAN-Malaysia Chairmanship 2025 and Visit Malaysia 2026 ("VM2026"). The economy continues to be steered by the Ekonomi MADANI framework and the Government remains committed to positioning Malaysia as an attractive destination for quality investments. At the same time, ongoing improvements in the wage-setting mechanism and rising business efficiency are expected to strengthen the wage structure, thus contributing to a higher labour income share.

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

8.2 Overview and outlook of the construction industry in Malaysia

The construction sector continued to strengthen by 20.7% with all subsectors recording double-digit growth except the civil engineering subsector. The non-residential building subsector recorded growth of 23.9% driven by rapid construction activities of data centres in Johor and Selangor. Similarly, the residential building subsector grew by 30.3%, spurred by private sector housing developments, particularly serviced apartment segment in Kuala Lumpur. The specialised construction activities subsector also increased by 23.6%, mainly supported by island reclamation activities as well as the installation of electrical and piping systems. In addition, the civil engineering subsector also grew by 9.1% supported by ongoing rail and highway infrastructure projects.

(Source: Malaysian Economy Fourth Quarter 2024, Ministry of Finance Malaysia)

The construction sector expanded strongly by 13.1% in the first half of 2025, supported by solid performance across all subsectors. The non-residential buildings subsector recorded robust expansion, driven by acceleration and realisation of private investment in industrial facilities, commercial complexes and data centres, reflecting sustained business activities and rising digitalisation. The residential buildings subsector also posted a steady growth, supported by continued demand for affordable housing and government initiatives to promote home ownership. In addition, the specialised construction activities subsector recorded stable growth, driven by telecommunications infrastructure projects and coastal reclamation activities. The civil engineering subsector sustained its positive performance, underpinned by ongoing works on infrastructure projects, such as the Pan Borneo Highway Sabah and Rapid Transit System Link ("RTS Link").

For the rest of 2025, the sector is expected to grow by 7.3%. The civil engineering subsector is anticipated to expand, supported by continued rollout of large-scale public infrastructure projects towards the end of the Twelfth Malaysia Plan, 2021 – 2025 (“**Twelfth Plan**”) period. Ongoing projects, including the Sarawak Sabah Link Road (“**SSLR**”), will continue to drive momentum in the subsector. The non-residential buildings subsector will continue to gain from investment in commercial and industrial facilities, including data centres development in Johor and Selangor.

In addition, the residential buildings subsector growth is expected to be bolstered by new launches in the affordable and mid-market housing as well as integrated township development in key growth corridors amid favourable financing conditions. Overall, the construction sector is projected to record a steady growth of 10.1% for 2025.

The construction sector is expected to remain stable in 2026 by recording a growth of 6.1%, underpinned by positive performance across all subsectors. The realisation of approved strategic investments under national policies and commencement of projects under the Thirteenth Plan, will further support the sector’s performance. Within the subsectors, major infrastructure and utilities development such as LRT Mutiara Line, Hybrid Hydro Floating Solar (“**HHFS**”) and ASEAN Power Grid will steer the civil engineering subsector’s performance. In addition, the non-residential buildings subsector is anticipated to be driven by sustained demand for industrial facilities, logistics hubs and data centres, in line with the expansion of high technologies as well as digitalisation. Meanwhile, the residential buildings subsector is expected to benefit from government-led affordable housing programmes and targeted home ownership initiatives supported by policy measures under the Thirteenth Plan as well as new projects by private sectors. On the other hand, specialised construction activities subsector is projected to grow in tandem with other subsectors’ performance supported by sustained demand for site preparation, mechanical and electricals, as well as finishing works.

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

8.3 Future prospects of our Group

AWC has over the years developed into a diversified engineering and facilities-management group with an established presence in Malaysia, Singapore and the Middle East. Its core businesses in Facilities Management, Engineering Services, Environmental Systems and Rail Infrastructure continue to provide a balanced mix of recurring and project-based income, supported by a solid order book and a diversified client base. Through prudent financial management and operational discipline, the Group has sustained profitability despite market headwinds and cost pressures.

Going forward, our Group expects to benefit from the recovery of construction and infrastructure investment activities in Malaysia and the region. Demand for integrated mechanical, electrical and building-systems solutions remains healthy, particularly in sectors emphasising sustainability, energy efficiency and reliable long-term operations. In Facilities Management, AWC aims to deepen its participation in healthcare, education and public-infrastructure assets while expanding into higher-value opportunities such as data-centre operations and telecommunications facilities, which offer concession-based and service-driven income stability.

In the Environmental Systems segment, Stream Group Sdn Bhd (a wholly-owned subsidiary of AWC) will continue to leverage its expertise in automated waste-collection systems (“**AWCS**”) to consolidate its leadership position in the region. Its established operations in Abu Dhabi serve as a launch base for further expansion across the Middle East, where new mixed-use and smart-city developments continue to present strong prospects. Our Group intends to enhance system performance and lifecycle efficiency through continuous technology upgrades and strategic partnerships with equipment and control-system providers.

Qudotech Sdn Bhd (a wholly-owned subsidiary of AWC), which anchors our Group's plumbing and water-infrastructure capabilities, will focus on expanding into high-value infrastructure projects such as data centres, transport-oriented developments, airports and hospital complexes. These segments require technically demanding and compliance-driven solutions, aligning well with Qudotech's core competencies and proven delivery record in large-scale developments.

Our Group's rail division will gradually pivot towards service-related offerings and participation in larger-scale rail-infrastructure projects. This approach builds on AWC's experience in trackwork supply and maintenance, positioning the division to capture opportunities arising from network-modernisation programmes and public-transport investments in Malaysia and neighbouring markets.

Barring any unforeseen circumstances, our Board is of the view that our Group's diversified portfolio, established client relationships and disciplined management provide a strong foundation for continued growth and value creation in the years ahead.

(Source: Management of AWC)

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9. EFFECTS OF THE PROPOSALS

9.1 Issued share capital

The Proposed ESOS and Proposed Bonus Issue of Warrants will not have an immediate effect on the issued share capital of AWC until such time when new AWC Shares are issued pursuant to the exercise of the Warrants and ESOS options, respectively. The issued share capital of AWC will increase progressively depending on the number of new AWC Shares that are issued pursuant to the exercise of the Warrants and ESOS options.

For illustrative purposes, the pro forma effects of the Proposed Bonus Issue of Warrants and Proposed ESOS on the issued share capital of the Company are as follows:

	<u>No. of AWC Shares</u>	<u>RM</u>
Issued share capital of AWC (excluding 4,628,700 treasury shares) as at the LPD	339,359,583	130,933,556
New AWC Shares to be allotted and issued pursuant to the Proposed Bonus Issue of Warrants	84,839,895 ⁽¹⁾	78,901,102 ⁽²⁾
New AWC Shares to be allotted and issued pursuant to the Proposed ESOS assuming full exercise of the ESOS Options	50,903,937 ⁽³⁾	34,614,677 ⁽⁴⁾
Enlarged issued share capital	<u>475,103,415</u>	<u>244,449,335</u>

Notes:

⁽¹⁾ The number of Shares to be issued pursuant to the exercise of the Warrants is calculated on the basis of 1 Warrant for every 4 Shares based on the issued share capital of AWC of 339,359,583 Shares (excluding 4,628,700 treasury shares) as at the LPD.

⁽²⁾ The indicative exercise price is calculated based on RM0.93, representing approximately 23.87% discount to the 5-day VWAP of AWC Shares up to and including the LPD of RM0.7508 per AWC Share.

⁽³⁾ The number of Shares to be issued pursuant to the Proposed ESOS is calculated based on the issued share capital of AWC of 339,359,583 Shares (excluding 4,628,700 treasury shares) as at the LPD.

⁽⁴⁾ The indicative issue price is calculated based on RM0.68, representing approximately 9.43% discount to the 5-day VWAP of AWC Shares up to and including the LPD of RM0.7508 per AWC Share.

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9.2 NA per Share and gearing

Based on the latest audited financial statements of the Group for the FYE 30 June 2025, the pro forma effects of the Proposed Bonus Issue of Warrants and Proposed ESOS on the NA and gearing level of our Group are set out as follows:

	(I)		(II)	
	Audited as at FYE 30 June 2025 RM'000	After Proposed Bonus Issue of Warrants ⁽¹⁾ RM'000	After (I) and the Proposed ESOS ⁽²⁾ RM'000	
Share capital	129,451	208,352	242,967	
Treasury shares	(1,287)	(1,287)	(1,287)	
Other reserves	8,835	8,835	8,835	
Retained earnings	92,141	91,791 ⁽³⁾	91,791 ⁽³⁾	
Shareholders' fund / NA	229,140	307,691	342,306	
No. of Shares in issue as at the LPD ('000)	339,359	424,199	475,103	
NA per Share (RM)	0.68	0.72	0.72	
Total borrowings	97,238	97,238	97,238	
Gearing ratio (times)	0.42	0.32	0.28	

Notes:

⁽¹⁾ Assuming for illustrative purposes that all 84,839,895 Warrants are exercised at the illustrative exercise price of RM0.93 per Warrant.

⁽²⁾ Assuming for illustrative purposes that all 50,903,937 Shares are issued pursuant to the Proposed ESOS at the illustrative price of RM0.68.

⁽³⁾ After deducting the estimated expenses of approximately RM0.35 million expected to be incurred in relation to the Proposals.

9.3 Earnings and EPS

9.3.1 Proposed ESOS

Under the MFRS 2 on Share-based Payment as issued by the Malaysian Accounting Standards Board, the potential cost of awarding the ESOS Options under the Proposed ESOS (“**MFRS 2 Cost**”), after taking into account, amongst others, the price of AWC Shares, will need to be measured at fair value on the date of the ESOS Option and recognised as an expense in the consolidated statement of comprehensive income over the vesting period in which the employees render their services.

The extent of the effect of the Proposed ESOS on our Group’s future earnings and EPS cannot be determined at this juncture as it depends on various factors vesting condition and vesting period (if applicable) and the Exercise Price that affect the fair value of the AWC Shares as at the respective dates of the ESOS Options and the number of ESOS Options exercised and the utilisation of proceeds arising therefrom. The Proposed ESOS is not expected to have any immediate material effect on the earnings and EPS of our Group until such time when the ESOS Options are granted and exercised.

Our Board and the ESOS Committee will take into consideration the potential impact of the MFRS 2 Cost on AWC Group’s earnings and EPS when considering award of the ESOS Options to the Eligible Persons. Nevertheless, the estimated cost in relation to the MFRS 2 Cost does not represent a cash outflow by our Company as it is merely an accounting treatment.

9.3.2 Proposed Bonus Issue of Warrants

The Proposed Bonus Issue of Warrants is not expected to have any material effect on the consolidated earnings of our Group for the FYE 30 June 2025. However, assuming that the consolidated earnings of our Group remain unchanged, the EPS of our Group will be correspondingly diluted as a result of the increase in the number of AWC Shares in issue as and when the Warrants are exercised into new AWC Shares.

The potential effects of the exercise of the Warrants on the future earnings and EPS of our Group will depend upon, amongst others, the number of Warrants exercised at any point in time and the benefits to be accrued to our Group from the utilisation of proceeds raised from the exercise of the Warrants.

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9.4 Substantial shareholders' shareholding

The pro forma effects of the Proposed ESOS and Proposed Bonus Issue of Warrants on the substantial shareholders' shareholdings in AWC are set out below:

Substantial shareholders	As at the LPD			(I) After the Proposed Bonus Issue of Warrants			
	Direct		Indirect	Direct		Indirect	
	No of AWC Shares	% ⁽¹⁾	No of AWC Shares	% ⁽¹⁾	No of AWC Shares	% ⁽²⁾	No of AWC Shares % ⁽²⁾
K-Capital Sdn Bhd	84,500,000	24.90	-	-	105,625,000 ⁽³⁾	24.90	-
Dato' Ahmad Kabeer Bin Mohamed Nagoor	28,406,600	8.37	85,800,000 ⁽⁴⁾	25.28	35,508,250 ⁽³⁾	8.37	107,250,000 ⁽³⁾⁽⁴⁾ 25.28
Substantial shareholders	(II) After (I) and the Proposed ESOS						
	Direct			Indirect			
	No of AWC Shares	% ⁽⁵⁾	No of AWC Shares	% ⁽⁵⁾	No of AWC Shares	% ⁽⁵⁾	No of AWC Shares % ⁽⁵⁾
K-Capital Sdn Bhd	105,625,000	22.23	-	-	-	-	-
Dato' Ahmad Kabeer Bin Mohamed Nagoor	40,598,643 ⁽⁶⁾	8.54	107,250,000 ⁽⁴⁾	22.57			

Notes:

⁽¹⁾ Based on the issued shares of 339,359,583 as at the LPD (excluding 4,628,700 treasury shares).

⁽²⁾ Based on the enlarged issued shares of 424,199,479 (excluding 4,628,700 treasury shares) after the exercise of the Warrants.

⁽³⁾ Allocation of the Warrants are based on the issued shares of 339,359,583 (excluding 4,628,700 treasury shares) as at the LPD.

⁽⁴⁾ Deemed interest by virtue of Section 8(4) of the Act held through K-Capital Sdn Bhd and by virtue of his son, Ahmad Nazim bin Ahmad Kabeer's shareholdings in the Company.

⁽⁵⁾ Based on the enlarged issued shares of 475,103,415 (excluding 4,628,700 treasury shares) after the exercise of ESOS Options.

⁽⁶⁾ Assuming that Dato' Ahmad Kabeer Bin Mohamed Nagoor, as an eligible Director of AWC who owns more than 20% equity interest in AWC is allocated the maximum allocation of 10% of the ESOS Options offered. However, the allocation has not been determined at this juncture and will only be determined at a later stage by the ESOS Committee and approved by the shareholders.

9.5 Convertible Securities

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

10. HISTORICAL SHARE PRICES

The monthly highest and lowest prices market prices of AWC Shares as traded on Bursa Securities for the past 12 months from November 2024 to October 2025 are set out below:

Month	High (RM)	Low (RM)
2024		
November	0.885	0.82
December	0.925	0.855
2025		
January	1.08	0.905
February	1.11	0.90
March	0.905	0.71
April	0.795	0.60
May	0.765	0.61
June	0.61	0.56
July	0.605	0.56
August	0.575	0.51
September	0.695	0.505
October	0.77	0.66
Last transacted market price of AWC Shares as at 31 October 2025 (being the latest transacted date prior to the announcement of the Proposed ESOS)		0.755
Last transacted market price as at the LPD		0.755

(Source: Bloomberg)

11. APPROVALS REQUIRED

The Proposals are subject to the following approvals being obtained:

- (i) Bursa Securities, for the following:
 - (a) the listing of and quotation for such number of new AWC Shares, representing up to 15% of the total number of issued Shares (excluding treasury shares, if any) that may be issued pursuant to the Proposed ESOS;
 - (b) the admission of the Warrants to the Official List of Bursa Securities and listing of and quotation for up to 84,839,895 Warrants to be issued pursuant to the Proposed ESOS; and
 - (c) the listing of and quotation for up to 84,839,895 new AWC Shares to be issued arising from the exercise of the Warrants,

the approval of which has been obtained vide Bursa Securities' letter dated 25 November 2025 subject to the following conditions:

No.	Conditions	Status of Compliance
Proposed Bonus Issue of Warrants		
1.	AWC and RHB Investment Bank must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Bonus Issue of Warrants.	To be complied
2.	AWC and RHB Investment Bank to inform Bursa Securities upon completion of the Proposed Bonus Issue of Warrants.	To be complied
3.	AWC to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Bonus Issue of Warrants is completed.	To be complied
4.	AWC and RHB Investment Bank are required to provide a written confirmation that the terms of the Warrants are in compliance with paragraph 6.54(3) of the Listing Requirements.	To be complied
5.	AWC to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Warrants as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied
Proposed ESOS		
1.	RHB Investment Bank is required to submit a confirmation to Bursa Securities of full compliance of the Proposed ESOS pursuant to paragraph 6.43(1) of the Listing Requirements and stating the effective date of implementation, together with a certified true copy of the resolution passed by the shareholders in general meeting.	To be complied
2.	AWC is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the Proposed ESOS, as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied

(ii) our shareholders at the forthcoming EGM.

Pursuant to Section 85 of the Act read together with Clause 54 of our Company's Constitution, our shareholders' of our Company have statutory pre-emptive rights to be offered any new Shares which rank equally to the existing Shares. By approving the waiver of statutory pre-emptive rights and ordinary resolution in relation to the Proposed ESOS which entail the allotment and issuance of new AWC Shares (arising from the exercise of the ESOS Options) in our Company, our shareholders' of our Company are deemed to have waived their statutory pre-emptive rights pursuant to Section 85 of the Act and the Constitution of our Company to be offered AWC Shares which will result in a dilution to their shareholding percentage in our Company.

The Proposed ESOS and the Proposed Bonus Issue of Warrants are not conditional upon each other and vice versa.

The Proposed Allocation is conditional upon the Proposed ESOS but not vice versa.

The Proposed Allocation is not conditional upon the Proposed Bonus Issue of Warrants and vice versa.

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

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

Save as disclosed below, none of the Directors, major shareholders, chief executive of our Company and/ or Persons Connected to them are deemed interest in the Proposals.

12.1 Proposed ESOS and Proposed Allocation

All Directors are eligible to participate in the Proposed ESOS and are therefore deemed interested to the extent of their respective proposed allocation and the proposed allocations to Persons Connected to them under the Proposed ESOS. Notwithstanding that, all Directors have deliberated on the Proposed ESOS, and have agreed to present the Proposed ESOS to shareholders for their consideration and approval.

All Directors have and will continue to abstain from all Board deliberations and voting in respect of their respective proposed allocation, and the proposed allocations to Persons Connected to them under the Proposed ESOS, at the relevant Board meetings. The Directors who are deemed Persons Connected to Eligible Person under the Proposed ESOS, have and will continue to abstain from the Board deliberations and voting in respect of the proposed allocations to Persons Connected to them under the Proposed ESOS, at the relevant Board meetings.

All Directors will abstain from voting in respect of their direct and/ or indirect shareholdings, at the EGM of our Company to be convened in respect of the resolutions to be tabled pertaining to the Proposed ESOS, their respective proposed allocation as well as the proposed allocations to the Persons Connected to them, under the Proposed ESOS.

All Directors will undertake to ensure that Persons Connected to them, will abstain from voting in respect of their direct and/ or indirect shareholdings, on the resolutions pertaining to the Proposed ESOS, their respective proposed allocation as well as the proposed allocations to the Persons Connected to them, under the Proposed ESOS, to be tabled the EGM of our Company to be convened.

The major shareholder of our Company who is entitled to participate in the Proposed ESOS, namely Dato' Ahmad Kabeer Bin Mohamed Nagoor (who is also the Group Chief Executive Officer / President of AWC) ("**Interested Major Shareholder**"), will abstain from voting in respect of his respective direct and/ or indirect shareholdings in our Company on the ordinary resolutions pertaining to the Proposed ESOS, the proposed allocation to him as well as the proposed allocations to Persons Connected to him, if any, under the Proposed ESOS to be tabled at the EGM of our Company to be convened. The Interested Major Shareholder will also undertake to ensure that Persons connected to him, if any, will abstain from voting in respect of their direct and/ or indirect shareholdings in our Company on the ordinary resolutions pertaining to the Proposed ESOS, their respective proposed allocations as well as the proposed allocations to Persons Connected to them, if any, under the Proposed ESOS to be tabled at the EGM of our Company to be convened.

The direct and indirect shareholdings of the Directors, Major Shareholders, chief executive of our Company and/ or Persons Connected with them, who are interested in the Proposed ESOS as at the LPD are as follows:

	Shareholdings as at the LPD			
	Direct		Indirect	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Directors of AWC				
Yang Mulia Tunku Puan Sri Dato' Hajjah Noor Hayati Binti Tunku Abdul Rahman Putra Al-Haj	300,000	0.09	-	-
Dato' Nik Mod Amin Bin Nik Abd Majid	500,000	0.15	-	-
Sureson A/L Krisnasamy	65,000	0.02	-	-
Chief Executive, Director and Interested Major Shareholder				
Dato' Ahmad Kabeer Bin Mohamed Nagoor	28,406,600	8.37	85,800,000 ⁽²⁾	25.28
Major Shareholder of AWC				
K-Capital Sdn Bhd	84,500,000	24.90	-	-
Persons Connected to the Chief Executive, Director and Interested Major Shareholder				
Ahmad Nazim Bin Ahmad Kabeer	1,300,000	0.38	-	-
Ahmad Syahin Bin Ahmad Kabeer	-	-	-	-

Notes:

⁽¹⁾ Based on 339,359,583 issued shares as at the LPD (excluding 4,628,700 treasury shares).

⁽²⁾ Deemed interest by virtue of Section 8(4) of the Act held through his shareholdings in K-Capital Sdn Bhd and by virtue of his son, Ahmad Nazim bin Ahmad Kabeer's shareholdings in our Company.

12.2 Proposed Bonus Issue of Warrants

None of our Directors, major shareholders, chief executive of our Company and/ or Persons Connected with them have any interest, whether direct or indirect, in the Proposed Bonus Issue of Warrants, save for their respective entitlements as shareholders of our Company under the Proposed Bonus Issue of Warrants, which are also available to all other Entitled Shareholders of our Company on a pro-rata basis.

13. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, after having considered all aspects of the Proposed ESOS and Proposed Bonus Issue of Warrants, which include but are not limited to, the basis, the rationale and the pro forma effects of the Proposed ESOS and Proposed Bonus Issue of Warrants, is of the opinion of that the Proposed ESOS and Proposed Bonus Issue of Warrants are in the best interest of our Company. Accordingly, our Board recommends that you vote in favour of the resolutions pertaining to the Proposed ESOS and Proposed Bonus Issue of Warrants to be tabled at the EGM.

Our Board (save for the eligible Directors in respect of the respective Proposed Allocations to them and Persons Connected to them) having considered all aspects of the Proposed Allocation, is of the opinion that the Proposed Allocation is in the best interest of our Group and recommends that you vote in favour of the resolutions pertaining to the Proposed Allocation to be tabled at the EGM.

14. ESTIMATED TIMEFRAME FOR COMPLETION AND TENTATIVE TIMETABLE FOR IMPLEMENTATION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposals are expected to be completed by the first quarter of 2026. The tentative timetable in relation to the Proposals are as follows:

Date	Events
17 December 2025	EGM to approve the Proposals
Late December 2025	Announcement on the Entitlement Date for the Proposed Bonus Issue of Warrants
Mid January 2026	<ul style="list-style-type: none">• Warrants Entitlement Date• Admission of the Warrants to the Official List, the listing of and quotation for the Warrants on the Main Market of Bursa Securities and completion of the Proposed Bonus Issue of Warrants• Effective date of the Proposed ESOS

15. CORPORATE EXERCISES AND/ OR SCHEMES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals (which is the subject matter of this Circular), our Board confirms that there are no other outstanding corporate exercises, which have been announced but not yet completed.

16. EGM

The EGM of AWC, the notice of which is enclosed in this Circular, will be held at Ballroom III, Main Wing, Tropicana Golf and Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor on Wednesday, 17 December 2025 at 10:00 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification, the resolutions to give effect to the Proposals.

If you are unable to attend, participate, speak and vote at the EGM, you may appoint a proxy or proxies to attend, participate, speak and vote on your behalf. The appointment of a proxy may be made in hard copy form or by electronic form. In the case of an appointment made in hard copy form, the Proxy Form must be deposited with our Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur or alternatively deposit in the drop-in-box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur.

In the case of an appointment of a proxy made in electronic form, the Proxy Form can be electronically submitted to the Company's Share Registrar via Vistra Share Registry and IPO (MY) portal ("**The Portal**") at <https://srmy.vistra.com>. Please follow the procedures as set out in the Administrative Guide for the electronic lodgement of Proxy Form. All Proxy Form submitted must be received by the Company not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof at which the person named in the appointment proposes to vote.

17. FURTHER INFORMATION

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

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

DATO' AHMAD KABEER BIN MOHAMED NAGOOR
Group Chief Executive Officer / President

PART B

**STATEMENT TO SHAREHOLDERS IN RELATION
TO THE PROPOSED SHARE BUY-BACK**



AWC BERHAD

(Registration No. 200101014341 (550098-A))
(Incorporated in Malaysia)

Registered Office

Third Floor, No. 77, 79 & 81
Jalan SS21/60, Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan

28 November 2025

Board of Directors

Dato' Nik Mod Amin Bin Nik Abd Majid
Dato' Ahmad Kabeer Bin Mohamed Nagoor
Sureson A/L Krishnasamy
Yang Mulia Tunku Puan Sri Dato' Hajjah Noor
Hayati Binti Tunku Abdul Rahman Putra Al-Haj
Datuk Hashim Bin Wahir

(Non-Independent Non-Executive Chairman)
(Group Chief Executive Officer / President)
(Independent Non-Executive Director)
(Independent Non-Executive Director)

(Independent Non-Executive Director)

To: Our Shareholders

Dear Sir / Madam,

PROPOSED SHARE BUY-BACK

1. INTRODUCTION

On 3 November 2025, RHB Investment Bank had on behalf of our Board announced that our Company proposes to seek the approval of our shareholders for a mandate for our Company to purchase up to 10% of the issued shares of our Company. The Proposed Share Buy-Back is subject to compliance with Section 127 of the Act and any prevailing laws, orders, requirements, guidelines, rules and regulations issued by any relevant authorities at the time of purchase.

THE PURPOSE OF THIS STATEMENT IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION OF THE PROPOSED SHARE BUY-BACK AND TO SEEK YOUR APPROVAL ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK TO BE TABLED AT THE FORTHCOMING EGM, WHICH WILL BE HELD AT 10:00 A.M. OR AT ANY AJOURNMENT THEREOF, FOR THE PURPOSE OF CONSIDERING AND IF THOUGHT FIT, PASSING WITH OR WITHOUT MODIFICATION, THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED SHARE BUY-BACK.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS STATEMENT BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED SHARE BUY-BACK

Our Board proposes to seek approval from our shareholders for authority for the Company to purchase and/ or hold its own Shares of up to 10% of the total number of issued shares at the forthcoming EGM of our Company subject to compliance with Section 127 of the Act, the Listing Requirements and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities.

Based on our Company's total issued shares as at the LPD of 343,988,283 Shares, the number of Shares that can be purchased by our Company shall be up to 34,398,828 Shares representing up to 10% of the total number of our issued shares inclusive of the 4,628,700 Shares that have been purchased and retained as treasury shares. As such, the balance that can be purchased by the Company shall be up to 29,770,128 Shares.

The shareholders' approval for the Proposed Share Buy-Back, once obtained, shall take effect immediately after the passing of the ordinary resolution to be tabled at our forthcoming EGM and will continue to be in force until:

- (i) the conclusion of our next AGM following the general meeting at which the authorisation is obtained, at which time it will lapse, unless by ordinary resolution passed at that AGM and subsequent AGMs, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which our next AGM, after the date is required by law to be held; or
- (iii) the authority is revoked or varied by ordinary resolution passed by our shareholders at a general meeting,

whichever occurs first.

In accordance with Section 127 of the Act, the Purchased Shares may be dealt with by our Board in the following manner:

- (i) to cancel the Purchased Shares;
- (ii) to retain the Purchased Shares as treasury shares; or
- (iii) to retain part of the Purchased Shares as treasury shares and cancel the remainder;

where such Purchased Shares are held as treasury shares, our Board may:

- (i) distribute the Purchased Shares as dividends to shareholders, such dividends to be known as "share dividends";
- (ii) resell the Purchased Shares on Bursa Securities on which the shares are quoted, in accordance with the relevant rules of Bursa Securities;
- (iii) transfer the Purchased Shares, or any of the shares for the purposes of share grant;
- (iv) transfer the Purchased Shares, or any of the shares as purchase consideration; or
- (v) cancel the Purchased Shares or any of the shares; or
- (vi) sell, transfer, or otherwise use the Purchased Shares for such other purposes as prescribed by order under the Act.

Upon each purchase of Shares, an immediate announcement will be made to Bursa Securities in respect of the Board's intention on the treatment of the Purchased Shares, whether to cancel the Purchased Shares, retain them as treasury shares or a combination of both. An immediate

announcement will also be made to Bursa Securities on any resale, transfer and/or cancellation of treasury shares.

In considering how the Purchased Shares will be dealt with, our Directors will take into account amongst others the prevailing equity market conditions and our financial position at the time of the purchases.

While the Purchased Shares are held as treasury shares, the rights attached to them in respect of voting, dividends and participation in other distributions and otherwise are suspended, and such treasury shares shall not be taken into account in calculating the number or percentage of Shares or a class of shares in our Company for any purpose including substantial and major shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting of our Shareholders.

2.1 Quantum and funding

The Listing Requirements stipulate that the proposed purchase by a listed company of its own shares must be made wholly out of retained earnings. Therefore, the maximum amount of funds to be allocated for the Proposed Share Buy-Back shall not exceed the retained earnings of our Company at the time of purchase.

Accordingly, our Directors shall allocate an amount of funds which will not be more than the total amount of our retained earnings in respect of any purchase of our own Shares pursuant to the Proposed Share Buy-Back.

Based on our audited financial statements for FYE 30 June 2025, our Company's retained earnings stood at approximately RM19.79 million.

Shares to be purchased by our Company pursuant to the Proposed Share Buy-Back will be funded using internally generated funds and/or bank borrowings. The actual number of Shares to be purchased, the total amount of funds to be utilised, details of borrowings, impact on cash flows and the timing of the purchase(s) will depend on the prevailing equity market conditions and sentiments as well as the financial resources available to our Company at the time of the purchase(s).

In the event that bank borrowings are taken to fund the purchase of our own Shares pursuant to the Proposed Share Buy-Back, we will ensure that we have the capability to repay such borrowings and that doing so will not have a material financial effect on our Group's cash flow.

2.2 Pricing

Pursuant to the Listing Requirements, the Company may only purchase its own shares at a price which is not more than 15% above the VWAP of the shares for the past 5 market days immediately preceding the date of purchase.

In addition, our Company may only resell on Bursa Securities or transfer any Purchased Shares which are held as treasury shares at:

- (i) a price which is not less than the VWAP of the Shares for the 5 market days immediately before the resale or transfer; or
- (ii) a discounted price of not more than 5% to the VWAP of the Shares for the 5 market days immediately before the resale or transfer, provided that:
 - (a) the resale or transfer takes place not earlier than 30 days from the date of the purchase; and
 - (b) the resale or transfer price is not less than the cost of purchase of the Shares being resold or transferred.

2.3 Public shareholding spread

As at the LPD, the public shareholding spread of our Company stood at 64.18%. For illustration, assuming the Proposed Share Buy-Back is implemented in full and the Shares are purchased from the public shareholders, the pro forma public shareholdings spread of our Company would be approximately 60.73%. Our Board will ensure that our Company complies with the minimum public spread of 25% when implementing the Proposed Share Buy-Back.

3. RATIONALE AND POTENTIAL ADVANTAGES OF THE PROPOSED SHARE BUY-BACK

The Proposed Share Buy-Back if implemented is expected to potentially benefit our Company and our shareholders. The Proposed Share Buy-Back would enable our Group to utilise our surplus financial resources to purchase our own Shares via the open market when appropriate and at prices which our Board views as favourable.

The Proposed Share Buy-Back would effectively reduce the number of Share carrying voting and participation rights (unless the Purchased Shares are resold on Bursa Securities or distributed as share dividends). Consequently (whether the Purchased Shares are held as treasury shares or cancelled), all else being equal, the EPS of our Group may be enhanced as the earnings of our Group would be divided by a reduced number of Shares. The enhancement in EPS, if any arising from the Proposed Share Buy-Back is expected to benefit our shareholders.

The Purchased Shares can be held as treasury shares and be resold on Bursa Malaysia at a price higher than their cost of purchase and therefore realising a potential gain in reserves without affecting our total issued shares. The treasury shares may also be distributed to our shareholders as share dividends.

The Purchased Shares may also be cancelled at such time(s) when our Board is of the view that there is excess share capital and wish to reduce the number of Shares in circulation.

4. POTENTIAL DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK

The Proposed Share Buy-Back, if implemented, is expected to reduce the financial resources of our Group. This may result in our Group foregoing better investment opportunities which may emerge in the future and/ or any interest income that may be derived from other alternative uses of such funds, such as deposit of funds in interest bearing instruments.

The Proposed Share Buy-Back may also reduce the amount of financial resources available for distribution to our Shareholders in the form of dividends as funds are utilised to purchase our own Shares.

Nevertheless, the Proposed Share Buy-Back is not expected to have any potential material disadvantage to our Group and our shareholders, as it will be implemented only after careful consideration of the financial resources of our Group and its resultant impact on our Group and our shareholders. Our Board is mindful of the interest of our Group and our shareholders and will be prudent with respect to the above exercise.

5. EFFECTS OF THE PROPOSED SHARE BUY-BACK

5.1 Share Capital

The effect of the Proposed Share Buy-Back on our issued shares will depend on the treatment of the Purchased Shares. The Proposed Share Buy-Back will result in a reduction of our issued shares if the Purchased Shares are cancelled.

However, if the Purchased Shares are retained as treasury shares, the Proposed Share Buy-Back will not have any effect on our issued shares. The rights attaching to the Purchased Shares as to voting, dividends and participation in other distribution or otherwise are suspended in the manner as set out in Section 2 of this Statement.

For illustrative purposes, in the event of the Proposed Share Buy-Back is carried out in full and assuming all the Purchased Shares are cancelled, the effect of the Proposed Share Buy-Back on our issued shares is as follows:

	<u>No. of AWC Shares</u>
Issued share capital (including treasury shares) as at the LPD	343,988,283
Less:	
Maximum number of Purchased Shares which may be cancelled pursuant to the Proposed Share Buy-Back	34,398,828 ⁽¹⁾
Issued share capital	<u><u>309,589,455</u></u>

Note:

⁽¹⁾ Based on 10% of our issued shares that may be purchased under the Proposed Share Buy-Back, inclusive of 4,628,700 that have been purchased and retained as treasury shares as at the LPD.

5.2 NA and NA per Share

The effect of the Proposed Share Buy-Back on our consolidated NA per Share would depend on the purchase price(s) paid and number of the Purchased Shares. The Proposed Share Buy-Back will reduce the NA per Share at the time of purchase if the purchase price exceeds the NA per Share and conversely will increase the NA per Share at the time of purchase if the purchase price is less than the consolidate NA per Share.

In the case where the Purchased Shares are held as treasury shares and subsequently resold, the consolidated NA per Share will increase if our Company realises a gain from the resale and *vice versa*. If the treasury shares are distributed as share dividends, the consolidated NA of our Company will decrease by the cost of the treasury shares at the point of purchase.

5.3 Working Capital

The Proposed Share Buy-Back, as and when implemented, is likely to reduce the working capital of our Group. The extent of the reduction will depend on, amongst others, the purchase price of the Purchased Shares, the number of Purchased Shares and any associated costs incurred in making the purchase.

For Purchased Shares which are kept as treasury shares, upon their resale, the working capital and the cash flow of our Group may increase with the receipt of the proceeds of the resale. The extent of the increase will depend on the actual selling price(s) of the treasury shares, the number of treasury shares resold and any associated costs incurred in undertaking the sale.

5.4 Earnings and EPS

The effects of the Proposed Share Buy-Back on the earnings of our Group would depend on the purchase price(s), the number of Shares purchased as well as the effective funding cost to our Company to finance such purchases and/ or loss in interest income to our Group if internally generated funds are utilised. The reduction in the number of Shares applied in the computation of our EPS pursuant to the Proposed Share Buy-Back (whether the Purchased Shares are held as treasury shares or cancelled) may generally, all else being equal, have a positive impact on our EPS for the financial year when the Proposed Share Buy-Back is implemented.

5.5 Dividends

The Proposed Share Buy-Back is not expected to have any impact on the policy of our Board in recommending dividends, if any, to our shareholders. Nonetheless, if the Purchased Shares are retained as treasury shares, the treasury shares may be distributed as dividends to our shareholders, if our Company so decides.

If the Purchased Shares are cancelled, the Proposed Share Buy-Back will have the effect of increasing the dividend rate of our Company as a result of the reduction in the number of issued Shares.

5.6 Substantial shareholders' and Directors' shareholdings

For illustration purposes, Purchased Shares bought by our Company under the Proposed Share Buy-Back, if retained as treasury shares and/or subsequently cancelled will result in a proportionate increase in the percentage shareholdings of our substantial shareholders, assuming the following:

- (i) our Company does not purchase any Shares held by the Directors' and/or substantial shareholders; and
- (ii) there is no change in the number of Shares held by the Directors and/or substantial shareholders as at LPD.

Please refer to Section 11 of this Statement for further details.

6. IMPLICATIONS OF THE PROPOSED SHARE BUY-BACK IN RELATION TO THE CODE

As at the LPD, K-Capital Sdn Bhd, Dato' Ahmad Kabeer Bin Mohamed Nagoor and Ahmad Nazim Bin Ahmad Kabeer collectively hold approximately 33.65% of the voting shares in AWC. The future purchase by AWC of its own shares pursuant to the Proposed Share Buy-Back may cause the collective voting interest of K-Capital Sdn Bhd, Dato' Ahmad Kabeer Bin Mohamed Nagoor and Ahmad Nazim Bin Ahmad Kabeer in AWC to increase to more than 2% (the effects of such purchase on the collective shareholding of K-Capital Sdn Bhd, Dato' Ahmad Kabeer Bin Mohamed Nagoor and Ahmad Nazim Bin Ahmad Kabeer in AWC are set out in Section 11 of this Statement. In such an event, K-Capital Sdn Bhd, Dato' Ahmad Kabeer Bin Mohamed Nagoor and Ahmad Nazim Bin Ahmad Kabeer will be required to undertake a mandatory offer pursuant to the Code. However, a waiver to undertake a mandatory offer may be granted by the Securities Commission Malaysia ("SC") under the Code, subject to K-Capital Sdn Bhd, Dato' Ahmad Kabeer Bin Mohamed Nagoor and Ahmad Nazim Bin Ahmad Kabeer complying with certain conditions.

In this respect, AWC shall endeavour to carry out the Proposed Share Buy-Back in such a manner as to ensure that it does not trigger any mandatory offer obligation under the Code for K-Capital Sdn Bhd, Dato' Ahmad Kabeer Bin Mohamed Nagoor and Ahmad Nazim Bin Ahmad Kabeer. In the event that the obligations relating to the Code are expected to be triggered as a result of the Proposed Share Buy-Back, K-Capital Sdn Bhd, Dato' Ahmad Kabeer Bin Mohamed Nagoor and Ahmad Nazim Bin Ahmad Kabeer can apply to the SC for an exemption from undertaking the mandatory offer under the Code.

7. APPROVALS REQUIRED

The Proposed Share Buy-Back is subject to approvals being obtained from the following:

- (i) the shareholders of our Company at the forthcoming EGM for the Proposed Share Buy-Back; and
- (ii) any other relevant regulatory authorities and/ or parties, if required.

The Proposed Share Buy-Back is not conditional upon any other proposal undertaken or to be undertaken by our Company.

8. PURCHASE, RESALE, TRANSFER AND CANCELLATION OF TREASURY SHARES MADE IN THE PREVIOUS 12 MONTHS

Our Company has not purchased any of our Shares in the previous 12 months preceding the date of this Statement. Our Company currently holds 4,628,700 treasury shares. No resale, transfer or cancellation of the Purchased Shares has occurred during the same period.

9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the Directors, Major Shareholders and/or Persons Connected have any interest, direct or indirect, in the Proposed Share Buy-Back or the resale of treasury shares, if any.

10. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of AWC Shares as traded on Bursa Securities for the past 12 months from November 2024 to October 2025 are set out below:

Month	High (RM)	Low (RM)
2024		
November	0.885	0.82
December	0.925	0.855
2025		
January	1.08	0.905
February	1.11	0.90
March	0.905	0.71
April	0.795	0.60
May	0.765	0.61
June	0.61	0.56
July	0.605	0.56
August	0.575	0.51
September	0.695	0.505
October	0.77	0.66
Last transacted market price as at the LPD		0.755

(Source: Bloomberg)

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11.

SHAREHOLDING OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Assuming our Company purchases the full amount of our Shares authorised under the Proposed Share Buy-Back, there are no changes in the number of shares held by the Directors and/or substantial shareholders of our Company as at the LPD and with the assumption that our Company does not purchase the Directors' and/or substantial shareholders' shares, for purpose of illustration only, the effect of the Proposed Share Buy-Back are set out below:

	As at the LPD			After the Proposed Share Buy-Back		
	Direct		Indirect	Direct		Indirect
	No of AWC Shares	% ⁽¹⁾		No of AWC Shares	% ⁽²⁾	
Substantial shareholders and/or Chief Executive						
K-Capital Sdn Bhd	84,500,000	24.90	-	84,500,000	27.29	-
Dato' Ahmad Kabeer Bin Mohamed Nagoor	28,406,600	8.37	85,800,000 ⁽³⁾	28,406,600	9.18	85,800,000 ⁽³⁾
						27.71
Other Directors						
Dato' Nik Mod Amin Bin Nik Abd Majid	500,000	0.15	-	500,000	0.16	-
Sureson A/L Krisnasamy	65,000	0.02	-	65,000	0.02	-
Yang Mulia Tunku Puan Sri Dato' Hajjah Noor Hayati Binti Tunku Abdul Rahman Putra Al-Haj	300,000	0.09	-	300,000	0.10	-
Datuk Hashim Bin Wahir	-	-	-	-	-	-

Notes:

⁽¹⁾ Based on the issued shares of 339,359,583 as at the LPD (excluding 4,628,700 treasury shares).

⁽²⁾ Based on the enlarged issued shares of 309,589,455 (excluding 34,398,828 treasury shares).

⁽³⁾ Deemed interest by virtue of Section 8(4) of the Act held through his shareholding in K-Capital Sdn Bhd and by virtue of his son, Ahmad Nazim Bin Ahmad Kabeer's shareholdings in the Company.

12. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board having considered all aspects of the Proposed Share Buy-Back, is of the opinion that the Proposed Share Buy-Back is in the best interest of our Company.

Accordingly, our Board recommends the shareholders to vote in favour of the ordinary resolution pertaining to the Proposed Share Buy-Back to be tabled at the forthcoming EGM.

13. EGM

The EGM of AWC, the notice of which is enclosed together with this Statement, will be held at Ballroom III, Main Wing, Tropicana Golf and Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor on Wednesday, 17 December 2025 at 10:00 a.m., or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification, the ordinary resolution to give effect to the Proposed Share Buy-Back.

If you are unable to attend, participate, speak and vote at the EGM, you may appoint a proxy or proxies to attend, participate, speak and vote on your behalf. The appointment of a proxy may be made in hard copy form or by electronic form. In the case of an appointment made in hard copy form, the Proxy Form must be deposited with our Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur or alternatively deposit in the drop-in-box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur.

In the case of an appointment of a proxy made in electronic form, the Proxy Form can be electronically submitted to our Company's Share Registrar via Vistra Share Registry and IPO(MY) portal at <https://srmy.vistra.com>. Please follow the procedures as set out in the Administrative Guide for the electronic lodgement of Proxy Form. All Proxy Form submitted must be received by the Company not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof at which the person named in the appointment proposes to vote.

14. FURTHER INFORMATION

You are advised to refer to the enclosed appendices for further information.

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

DATO' AHMAD KABEER BIN MOHAMED NAGOOR
Group Chief Executive Officer / President

AWC BERHAD
(REGISTRATION NO. 200101014341(550098-A))
(“AWC” OR THE “COMPANY”)

BY-LAWS OF THE EMPLOYEES SHARE OPTION SCHEME (“ESOS”)

1. DEFINITIONS AND INTERPRETATIONS

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

Act	:	The Companies Act 2016, as amended from time to time and any re-enactment thereof.
AWC or the Company	:	AWC Berhad (Registration No. 200101014341 (550098-A))
Available Balance	:	Unissued share capital of the Company which is available for offer of ESOS Option(s) subject to the Maximum Limit and after deducting all Shares under ESOS Option(s)
AWC Group or the Group	:	The Company and its subsidiary companies as defined in Section 4 of the Act, and in the context of the Proposed ESOS, 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 Proposed ESOS but exclude subsidiaries which have been divested in the manner provided in By-Law 11
AWC Share(s) or Share(s)	:	Ordinary share(s) in AWC
Board	:	The Board of Directors of the Company
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (Registration No.: 198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
By-Laws	:	These rules, terms and conditions of the Proposed ESOS, 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

APPENDIX I – DRAFT BY-LAW

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 Proposed ESOS or last day of any extended period pursuant to By-Law 13.2, as the case may be
Director	:	A natural person who holds a directorship in the Company or any company within AWC Group (excluding dormant subsidiaries, if any), whether in an executive or non-executive capacity, and shall have the meaning of Section 2(1) of the Act and the meaning given in Section 2(1) of the Capital Markets and Services Act 2007, which for the avoidance of doubt excludes an alternate director
Effective Date	:	The date on which the Proposed ESOS comes into force as provided in By-Law 13.1
Eligible Person(s)	:	Executive Director(s) or Employee(s) of the Company or any company within AWC Group (excluding dormant subsidiaries, if any) who meets the eligibility criteria for participation in the Proposed ESOS as set out in By-Law 4 hereof and non-executive Director within AWC Group (excluding dormant subsidiaries, if any) who meets the eligibility criteria for participation in the Proposed ESOS as set out in By-Law 4 hereof
Employee(s)	:	A natural person who is employed by and on the payroll of the Company or any company within AWC Group (excluding dormant subsidiaries, if any)
Entitlement Date	:	The date as at the close of business on which the 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
ESOS	:	An employees' share option scheme which is intended to allow the Company to award ESOS Options to the eligible Directors (including executive and non-executive Directors) and/or employees of the Group (excluding dormant subsidiaries, if any), 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 to subscribe for new Shares at the ESOS 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 pursuant to a ESOS Award(s)' letter
ESOS Committee	:	The committee comprising persons duly appointed and duly authorised by the Board pursuant to By-Law 14 to implement and administer the Proposed ESOS
ESOS Exercise Price	:	The price at which ESOS Grantee(s) shall be entitled to subscribe for each new Share(s) upon the exercise of the ESOS Option(s), as initially determined and as may be adjusted, pursuant to the provisions of By-Law 33

APPENDIX I – DRAFT BY-LAW

ESOS Grantee(s)	:	Eligible Person(s) who has accepted the ESOS Award(s) in the manner provided in By-Law 30
ESOS Option(s)	:	The right of ESOS Grantee(s) to subscribe for the Share(s) at the ESOS Exercise Price in the manner provided in By-Law 31
ESOS Vesting Date(s)	:	The date upon which all or any part of the ESOS Options awarded to ESOS Grantee(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 ESOS Committee
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities including all amendments thereto and any Practice Notes issued in relation thereto
Market Day	:	A day on which Bursa-Securities is open for trading in securities, which may include a Surprise Holiday
Maximum Limit	:	The maximum aggregate number of new Shares in respect of the ESOS Option(s) that can be made available to an Eligible Person in accordance with By-Law 5 hereof
Principal Adviser	:	A person who is permitted to carry on the regulated activity of advising corporate finance under the Capital Markets and Services Act 2007, which includes a Recognised Principal Adviser, or any other person who, acting in the capacity of a Principal Adviser, presents, submits or discloses an application, a circular or any other document to Bursa Securities on behalf of an applicant or a listed issuer under the Listing Requirements
Proposed ESOS	:	The establishment of the ESOS of up to 15% of the AWC Shares (excluding treasury shares, if any) at any point in time during the duration of the ESOS for the Eligible Person(s)
Recognised Principal Adviser	:	A recognised principal adviser under the Securities Commission Malaysia's Licensing Handbook
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
Surprise Holiday	:	A day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year

1.2 In these By-Laws:

- (i) any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision and the Listing Requirements and any policies and/or guidelines of 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 ESOS Award(s) awarded and accepted during the duration of the Proposed ESOS 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 ESOS Committee may be exercised in the ESOS Committee's absolute discretion and the ESOS Committee shall not be under any obligation to give any reasons thereof, except as may be required by the relevant authorities;
- (v) the headings in these By-Laws are for convenience only and shall not be taken into account in the interpretation of these By-Laws;
- (vi) if an event is to occur on a stipulated day which is not a Market Day, then the stipulated day will be taken to be the first Market Day after that day;
- (vii) any reference to the Company and/or other person shall include a reference to its successors- in-title and permitted assigns; and
- (viii) in the event of any change in the name of the Company from its present name, all references to "AWC Berhad" in these By-Laws and all other documents pertaining to the ESOS shall be deemed to be references to the Company's new name.

2. THE OBJECTIVE OF THE PROPOSED ESOS

2.1 The Proposed ESOS is intended:

- (i) to recognise and reward Eligible Persons by giving recognition to their contributions and services that are considered vital to the operations of AWC Group, hence motivating employee performance to create sustainable growth and profitability for the Group;
- (ii) to retain, motivate and 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 AWC Shares upon disposal;
- (iii) to align interest of Eligible Persons with that of the shareholders through the achievement of the Group's objectives and plans;
- (iv) to serve as an alternative form of employees' remuneration which does not result in cash outflow for the Group but instead allows for fund-raising upon exercise of the ESOS options by the Eligible Persons; and

- (v) to attract prospective employees with relevant skills and experience to the Group by making compensation packages offered more competitive.
- 2.2 The Proposed ESOS is also extended to non-executive Directors of the Group in recognition of their contributions towards the growth and performance of the Group.
- 2.3 The ESOS Committee may at its absolute discretion decide that the ESOS Options may be satisfied via the issuance of new AWC Shares.

In deciding the method of satisfaction as set out above, the ESOS Committee may take into consideration amongst others, factors such as the prevailing market price of AWC Shares, funding requirements of the Group, the dilutive effects of any such issuance on the Company's share capital base, future returns and potential cost arising from the ESOS Options and vesting of the ESOS Options as well as any applicable laws, regulatory requirements and/ or administrative constraints, if relevant.

3. MAXIMUM NUMBER OF NEW SHARES AVAILABLE UNDER THE PROPOSED ESOS

- 3.1 The maximum number of new Shares that may be made available under the Proposed ESOS shall, in aggregate, not exceed fifteen percent (15%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point in time during the duration of the Proposed ESOS, as provided in By-Law 13.2 ("Maximum Shares").
- 3.2 Notwithstanding the provision of By-Law 3.1 above and any other provisions contained herein, in the event the total number of new Shares that may be made available under the Proposed ESOS exceeds fifteen percent (15%) of the total number of issued shares of the Company (excluding treasury shares, if any as a result of the Company purchasing, cancelling and/or reducing the Shares in accordance with the provisions of the Act or the Company undertaking any corporate proposal and thereby diminishing the total number of issued shares of the Company, then such ESOS Option(s) granted prior to the adjustment of the issued shares of the Company (excluding treasury shares, if any) shall remain valid and exercisable in accordance with the provisions of this Proposed ESOS. However, in such a situation, the ESOS Committee shall not grant further ESOS Option(s) until the total number of the Shares under the subsisting ESOS Option(s) falls below fifteen percent (15%) of the total number of issued shares of the Company (excluding treasury shares, if any).
- 3.3 The Company shall keep available sufficient unissued Shares in its authorized share capital to satisfy all outstanding ESOS Option(s), which may be exercisable, in whole or in part, from time to time, throughout the Duration of the Proposed ESOS.

4. ELIGIBILITY

- 4.1 Subject to the sole discretion of the ESOS Committee, only Eligible Persons who fulfil the following conditions as at the ESOS Award Date shall be eligible to participate in the Proposed ESOS:
 - (i) in respect of an Employee and/or senior management of the Group (excluding dormant subsidiaries, if any), he/she:
 - (a) has attained the age of eighteen (18) years and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (b) is employed on a full-time basis and is on the payroll of any company within the Group (excluding dormant subsidiaries, if any), and such employment has been confirmed;

- (c) is serving in a specific designation under the employment contract for a fixed duration excluding those who are employed for a specific project or on short-term contract or any other employees under contract as may be determined by the ESOS Committee;
 - (d) has not given any notice of resignation, received a notice of termination or otherwise ceased or had his/her employment terminated; and
 - (e) fulfils any other eligibility criteria as may be determined by the ESOS Committee from time to time at its sole discretion.
- (ii) in respect of the Directors, he/she:
 - (a) has attained the age of eighteen (18) years and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
 - (b) is appointed as a Director of the Company or any company within AWC Group (excluding dormant subsidiaries, if any);
 - (c) has not given any notice of resignation, received a notice of termination or otherwise ceased or had his/her employment terminated; and
 - (d) fulfils any other eligibility criteria as may be determined by the ESOS Committee from time to time at its sole discretion.
- 4.2 Notwithstanding the above, the ESOS Committee may, at its absolute discretion, determine any other eligibility criteria and/or waive any of the eligibility criteria as set out in By-Law 4.1 above. The eligibility, selection of any Director or employee for participation in the Proposed ESOS and the number of ESOS Option(s) to be granted to an Eligible Person under the Proposed ESOS shall be at the sole and absolute discretion of the ESOS Committee, and the decision of the ESOS Committee shall be final and binding.
- 4.3 Subject to By-Law 4.1, the ESOS Committee may from time to time at its own discretion decide on the performance targets to be achieved by the ESOS Grantees before the ESOS Option(s) can be vested.
- 4.4 Notwithstanding By-Law 4.1, any specific allocation of ESOS Options and/or Shares to an Eligible Person who is a director of AWC must be approved by the shareholders of the Company at a general meeting. Such director shall abstain from voting on the resolution approving their allocation, and the allocation must not be prohibited or disallowed by any relevant authorities, laws, or regulations.
- 4.5 Any Eligible Person who holds more than one (1) position within AWC Group (excluding dormant subsidiaries, if any) and by holding such positions, the Eligible Person is in more than one (1) category in AWC Group, the Eligible Person shall only be entitled to the Maximum Limit of any one of those category/designations of employment. The ESOS Committee shall be entitled at its sole discretion to determine the applicable category/designation of employment for the purposes of determining the Maximum Limit.
- 4.6 Eligibility under the Proposed ESOS does not confer on an Eligible Person any claim or right to participate in or any right whatsoever under the Proposed ESOS and an Eligible Person does not acquire or has any right over or in connection with the ESOS Award(s) unless the ESOS Award(s) has been made by the ESOS Committee to the Eligible Person and the Eligible Person has accepted the ESOS Award(s) in accordance with these By-Laws.

5. BASIS OF ALLOCATION AND MAXIMUM LIMIT

- 5.1 The allocation of the Shares to be made available for the ESOS Award(s) under the Proposed ESOS shall be determined by the ESOS Committee.
- 5.2 Subject to By-Law 3 and any adjustments which may be made under By-Law 9, the maximum number of Shares awarded to any Eligible Person under the Proposed ESOS at any point of time in each ESOS Award shall be at the sole and absolute discretion of the ESOS Committee after taking into consideration, among other factors, the Eligible Person's designation, length of service, work performance and/or such other factors as the ESOS Committee deems fit, and subject to the following conditions:
- (i) the total number of AWC Shares to be issued under the Proposed ESOS shall not exceed the amount stipulated in By-Law 3.1 above;
 - (ii) not more than 10% of the Maximum Shares shall be allocated to any Eligible Persons who, either singly or collectively through persons connected with the Eligible Persons, hold 20% or more of the total number of issued AWC Shares (excluding treasury shares), in accordance with the Listing Requirements;
 - (iii) not more than 70% of the total number of Shares available to be issued under the Proposed ESOS shall be allocated, in aggregate, to the eligible directors and senior management of the Group; and
 - (iv) the executive directors and senior management of AWC Group shall not participate in any deliberation or discussion and/ or shall abstain from making/ voting on any resolution on their own respective allocations and/ or allocations to persons connected with them under the Proposed ESOS,

The term “**senior management**” shall refer to an employee within the Group (excluding dormant subsidiaries, if any) who holds a position of significant managerial responsibility, typically at the level of senior manager equivalent and above, and is nominated at any time and shall be subject to any other criteria to be determined by the ESOS Committee from time to time.

- 5.3 The ESOS Committee may, at its sole and absolute discretion, decide whether to offer any ESOS Options to any Eligible Person from time to time during the duration of the Proposed ESOS. The selection and offer of ESOS Options shall be determined in accordance with these By-Laws, and the decision of the ESOS Committee shall be final and binding.
- 5.4 The ESOS Committee shall determine the maximum number of Shares to be awarded to each Eligible Person, taking into consideration the category or grade, length of service, performance, contribution, and such other factors as it deems fit. The basis and Maximum Limit for each ESOS Award shall be recorded at the time the ESOS Award is granted.
- 5.5 In the event that an Eligible Person is promoted, the Maximum Limit applicable to such Eligible Person shall be the Maximum Limit that may be awarded corresponding to the new category of employee of which he/she then is a party, subject always to the maximum number of Shares available under the Proposed ESOS as stipulated under By-Law 3.1.
- 5.6 In the event that an Eligible Person who is demoted/re-designated to a lower grade for whatsoever reason, such Eligible Person shall only be entitled to the allocation of that lower grade unless an award has been made and accepted by him/her before such demotion/re-designated and where he/she has accepted an award which exceeds his/her Maximum Limit under that lower grade, he/she shall not be entitled to any further allocation for that lower grade.

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- 5.7 The Company shall ensure that the ESOS Award(s) awarded pursuant to the Proposed ESOS is verified by the Audit Committee of the Company as being in compliance with the eligibility and allocation criteria which have been disclosed to the Eligible Person at the end of each financial year.
- 5.8 The ESOS Committee may, at its sole discretion, determine whether the ESOS Award(s) will be granted as a single award or staggered over the duration of the Proposed ESOS, taking into account the rank, length of service, and contribution of the Eligible Employee. The ESOS Award(s) may be subject to a vesting period and performance targets, which may include, among others, the Group's profit after tax and total shareholder return. The ESOS Committee may, at its absolute discretion, vary, revise, or waive such performance targets prior to the issuance of the ESOS Award(s).
- 5.9 In the event that any Eligible Person is a member of the ESOS Committee and to avoid any potential conflict of interest with regard to the specific allocation to the said Eligible Person, such Eligible Person shall not participate in the deliberation and discussion of his/her own eligibility and allocation of the ESOS Award(s) as well as that of persons connected with him/her.
- 5.10 Subject to By-Law 5.2, nothing herein shall prevent the ESOS Committee from awarding more than one (1) ESOS Award(s) to an Eligible Person **PROVIDED THAT** the total aggregate number of Shares comprised in the ESOS Award(s) awarded to such Eligible Person during the duration of the Proposed ESOS shall not exceed the Maximum Limit that an Eligible Person is entitled under the ESOS Award(s).

6. RIGHTS OF ESOS GRANTEE(S)

- 6.1 The ESOS Award(s) shall not carry any right to vote at any general meeting of the Company.
- 6.2 The Shares which are credited into the ESOS Grantees' CDS Account upon exercise of the ESOS Awards shall carry rights to vote at the general meeting of the Company, if the ESOS Grantee(s) is registered in the Record of Depositors on the Entitlement Date to be entitled to attend and vote at the general meeting.
- 6.3 An ESOS Grantee shall not in any event be entitled to any dividends, rights, allotments and/or other distributions on his/her unexercised ESOS Award(s).

7. RIGHTS ATTACHING TO THE SHARES

- 7.1 The new Shares to be allotted and issued pursuant to the Proposed ESOS shall, upon allotment and issuance, rank *pari passu* in all respects with the existing Shares, in issue at the date of allotment, subject to the provisions of the Constitution of the Company, save and except that:
- (i) such new Shares will not be entitled to any voting rights, dividends, rights, allotments and/or any other forms of distribution declared, made, or paid for which the record date or Entitlement Date precedes the date of allotment of such new AWC Shares; and
 - (ii) they shall be subject to the provisions of the Constitution relating to transfer, transmission or otherwise of the Shares including the rights of the holders of the Shares on the winding up of the Company and the Listing Requirements, if any.
- 7.2 Notwithstanding any provision in these By-Laws, the ESOS Grantee(s) shall not be entitled to any rights, dividends or other distributions attached to the Shares prior to the date on which such Shares are credited into their respective CDS Accounts.

8. RETENTION PERIOD

- 8.1 Subject to the Listing Requirements and/or any other applicable laws, the new Shares to be allotted and issued to be transferred to the ESOS Grantees pursuant to the Proposed ESOS will not be subjected to any retention period or restriction on transfer unless otherwise as determined by the ESOS Committee at its sole discretion. However, ESOS Grantee(s) are encouraged to hold the Shares as a long-term investment and not for any speculative and/or realisation of any immediate gain. The expression “**retention period**” shall mean the period in which the Shares awarded and issued pursuant to the Proposed ESOS must not be sold, transferred, assigned or otherwise disposed of by the ESOS Grantee(s).
- 8.2 Notwithstanding to the above By-Law 8.1, the ESOS Committee shall be entitled at its discretion to prescribe or impose any condition relating to any retention period or restriction on the transfer of the Shares to be issued pursuant to the Proposed ESOS as the ESOS Committee deems fit.
- 8.3 Notwithstanding the By-Laws 8.1 and 8.2, in accordance with Paragraph 8.20 of the Listing Requirements, an ESOS Grantee who is a non-executive Director of the Company or any company within the Group which is not dormant, must not sell, transfer or assign the Shares obtained through the exercise of the ESOS Award(s) offered to him/her within one (1) year from the ESOS Award Date(s).

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 ESOS, whether by way of capitalisation issue, rights issue, bonus issue, consolidation or subdivision of the shares, capital reduction (save for set-off against accumulated losses) or any other variation of capital during the duration of the Proposed ESOS, the ESOS Committee may, in its discretion cause such adjustment to be made to the ESOS Exercise Price and/ or number of Shares comprised in the ESOS Awards to the extent not yet vested or exercised.
- 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 ESOS Exercise Price shall be rounded up to the nearest one (1) sen; and
 - (ii) any fractional entitlements will be disregarded in determining the ESOS Grantee(s)' entitlement to subscribe for the Shares.
- 9.3 Subject to By-Law 9.2, the ESOS Exercise Price for the ESOS Award(s) and/or the number of new Shares comprised in the ESOS Award(s) shall from time to time be adjusted, calculated and determined by the ESOS Committee in accordance with the following relevant provisions in consultation with the Principal Adviser and/or the external auditor of the Company:

(i) **Consolidation, subdivision and conversion**

Whenever a Share by reason of any consolidation or subdivision or conversion of the Shares occurs, the ESOS Exercise Price and the number of Shares comprised in the ESOS Awards shall be adjusted as follows:

- | | | | | | |
|-----|-----------------------------|---|------|---|----|
| (a) | New ESOS Exercise Price | = | EP x | Former total number of issued shares (excluding treasury shares, if any) before the consolidation or <u>subdivision or conversion</u>
Revised total number of issued shares (excluding treasury shares, if any) after the consolidation or subdivision or conversion | |
| (b) | Additional number of Shares | = | T x | Revised total number of issued shares (excluding treasury shares, if any) after the consolidation or <u>subdivision or conversion</u>
Former total number of issued shares (excluding treasury shares, if any) before the consolidation or subdivision or conversion | -T |

Where:

EP = Existing ESOS Exercise Price; and

T = Existing number of Shares comprised in the ESOS Options.

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

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

If and whenever the Company makes any bonus issue or capitalisation issue, the ESOS Exercise Price shall be adjusted by multiplying it by the fraction:

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

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

Additional number of Shares =

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

Where:

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

B = the aggregate number of Shares to be issued pursuant to any allotment to ordinary shareholders of the Company credited as fully paid-up by way of bonus issue or capitalisation of profits or reserves (whether of a capital or income nature and including any capital redemption reserve fund); and

T = as T above.

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

(iii) If and whenever the Company shall make:

(a) **Capital Distribution**

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

(b) **Rights issue of the Shares**

any offer or invitation to its ordinary shareholders entitling them to acquire or subscribe for new Shares by way of rights; or

(c) **Rights issue of convertible securities**

any offer or invitation to its ordinary shareholders by way of rights entitling them to acquire or subscribe for securities which are convertible into new Shares or which carry rights to acquire or subscribe for new Shares;

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

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

and in respect of the case referred to in By-Law 9.3(iii)(b) hereof, the additional number of Shares relating to the ESOS Options shall be calculated as follows:

Additional Shares =

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

Where:

T = as T above;

C = the current market price of each Share on the Market Day immediately preceding the date on which the Capital Distribution or, as the case may be, the offer or invitation is publicly announced to Bursa Securities or (failing any such announcement) immediately preceding the date of the Capital Distribution or, as the case may be, of the offer or invitation; and

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D = (aa) in the case of an offer or invitation to acquire or subscribe for new Shares under By-Law 9.3(iii)(b) above or for securities convertible into Shares or securities with rights to acquire or subscribe for new Shares under By-Law 9.3(iii)(c) above, the value of rights attributable to one (1) existing Share (as defined below); or

(bb) in the case of any other transaction falling within By-Law 9.3(iii) hereof, the fair market value as determined by the Principal Adviser and/or the external auditor of the Company of that portion of the Capital Distribution attributable to one (1) existing Share

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

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

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

Where:

C = as C above;

E = the subscription price for one (1) additional Share under the terms of such offer or invitation to acquire or subscribe for the Shares or subscription price of one (1) Share upon conversion of the convertible securities or exercise of such rights to acquire or subscribe for one (1) Share under the offer or invitation; and

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

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

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

Where:

C = as C above;

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

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

For the purpose of By-Law 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 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 financial statement of comprehensive income of the Company.

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

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

If and whenever the Company makes any allotment to its ordinary shareholders as provided in By-Law 9.3(ii) 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 ESOS Exercise Price shall be adjusted by multiplying it by the following fraction:

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

and where the Company makes 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 additional number of Shares relating to the ESOS Options shall be calculated as follows:

Additional number of Shares comprised in the ESOS Options =

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

Where:

B = as B above;

C = as C above;

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

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

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

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

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

T = as T above.

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

(v) **Rights issue of the Shares and rights issue of convertible securities**

If and whenever the Company makes any offer or invitation to its ordinary shareholders to acquire or subscribe for new Shares as provided in By-Law 9.3(iii)(b) above together with an offer or invitation to acquire or subscribe for securities convertible into new Shares or securities with rights to acquire or subscribe for new Shares as provided in By-Law 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 ESOS Exercise Price shall be adjusted by multiplying it by the following fraction:

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

and the additional number of Shares comprised in the ESOS Options shall be calculated as follows:

Additional number of Shares comprised in the ESOS Options =

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

Where:

C = as C above;

G = as G above;

H = as H above;

H* = as H* above;

I = as I above;

I* = as I* above;

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

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

T = as T above.

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

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

If and whenever the Company makes an allotment to its ordinary shareholders as provided in By-Law 9.3(ii) above and also makes an offer or invitation to its ordinary shareholders to acquire or subscribe for the Shares as provided in By-Law 9.3(iii)(b) above, together with rights to acquire or subscribe for securities convertible into new Shares or with rights to acquire or subscribe for the Shares as provided in By-Law 9.3(iii)(c) above, and the Entitlement Date for the purpose of allotment is also the Entitlement Date for the purpose of the offer or invitation, the ESOS Exercise Price shall be adjusted by multiplying it by the following fraction:

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

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

Additional number of Shares comprised in the ESOS Options=

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

Where:

B = as B above;

C = as C above;

G = as G above;

H = as H above;

H* = as H* above;

I = as I above;

I* = as I* above;

J = as J above;

K = as K above; and

T = as T above.

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

(vii) **Others**

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

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

Where:

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

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

- (i) in the case of the issue of new Shares, the aggregate consideration receivable by the Company on payment in full for such Shares;
- (ii) in the case of the issue by the Company of securities wholly or partly convertible into new Shares, the aggregate consideration receivable by the Company on payment in full for such securities or such part of the securities as is convertible together with the total amount receivable by the Company upon full conversion of such securities (if any); or
- (iii) in the case of the issue by the Company of securities with rights to acquire or subscribe for new Shares, the aggregate consideration attributable to the issue of such rights together with the total amount receivable by the Company upon full exercise of such rights;

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

For the purpose of By-Law 9.3(vii), “**Average Price**” of a Share shall be the average market price of one (1) Share as derived from the last traded prices for one or more board lots of Shares as quoted on Bursa Securities on the Market Days comprised in the period used as a basis upon which the issue price of such Shares is determined.

Such adjustment will be calculated (if appropriate, retroactively) from the close of business on Bursa Securities on the Market Day immediately following the date on which the issue is announced, or (failing any such announcement) on the Market Day immediately following the date on which the Company determines the subscription price of such Shares. Each such adjustment will be effective (if appropriate, retroactively) from the commencement of the Market Day immediately following the completion of the above transaction.

For the purpose of By-Laws 9.3(iii), (iv), (v) and (vi), the current market price in relation to one (1) existing Share for any relevant day shall be based on the volume weighted average market price (“VWAP”) of the Shares for the five (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.

Such adjustment must be confirmed in writing by the external auditors or Principal Adviser of the Company for the time being (acting as experts and not as arbitrators), upon reference to them by the ESOS Committee, to be in their opinion, fair and reasonable, PROVIDED ALWAYS THAT:

- (a) any adjustment to the ESOS Exercise Price shall be rounded up to the nearest one (1) sen;
- (b) in the event that a fraction of a new Share arising from the adjustments referred to in these By-Laws would otherwise be required to be issued upon exercise of the ESOS Option by the ESOS Grantee(s), the ESOS Grantee(s)’ entitlement shall be rounded down to the nearest whole number;
- (c) upon any adjustment being made pursuant to these By-Laws, the ESOS Committee shall, within thirty (30) days of the effective date of the alteration in the capital structure of the Company, notify the ESOS Grantee(s) (or his legal representatives where applicable) in writing informing him of the adjusted ESOS Exercise Price thereafter in effect and/or the revised number of the Shares to be issued on the exercise of the ESOS Options; and
- (d) any adjustments made must be in compliance with the provisions for adjustments provided in these By-Laws.

For avoidance of doubt, any adjustments to the ESOS Exercise Price and/or the number of the Shares to be issued on the exercise of the ESOS Options arising from bonus issue, subdivision or consolidation of the Shares need not be confirmed in writing by the external auditors or the Principal Adviser of the Company.

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

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 Shares pursuant to the vesting of ESOS Award(s) under the Proposed ESOS;
- (ii) an issue of securities as consideration or part consideration for an acquisition of any other securities, assets or business;

- (iii) an issue of securities via private placement or restricted issue or special issue of new Shares by the Company;
- (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 of Malaysia to comply with the government's policy on Bumiputera capital participation;
- (v) a purchase by the Company of its own Shares and cancellation of all or a portion of such Shares purchased pursuant to Section 127 of the Act; or
- (vi) an issue of new Shares arising from the exercise of any conversion rights attached to securities convertible to new Shares or upon exercise of any other rights including warrants and convertible loan stocks or other instruments (if any) issued by the Company.

9.6 In the event that the Company enters into any scheme of arrangement or reconstruction pursuant to Part III (Division 7, Subdivision 2) of the Act, By-Law 9.1 shall be applicable in respect of such part(s) of the Proposed ESOS 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 Proposed ESOS which involves any alteration(s) in the capital structure of the Company to which By-Law 9.1 is not applicable as described in By-Law 9.5.

An adjustment pursuant to By-Law 9.1 shall be made according to the following terms:

- (a) 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
- (b) in the case of a consolidation or subdivision of the Shares or reduction of capital, on the Market Day immediately following the date on which the consolidation or subdivision or capital reduction becomes effective (being the date when the Shares are traded on Bursa Securities), or such period as may be prescribed by Bursa Securities.

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

Notwithstanding the provisions referred to in these By-Laws, the **ESOS Committee** may exercise its sole discretion to determine whether any adjustments to the ESOS Exercise Price and/or the number of Shares to be issued should be calculated on a different basis or date, or should take effect on a different date, or whether such adjustments should be made 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 issued by the Securities Commission Malaysia (or any replacement thereof), to acquire the whole of the issued ordinary share capital of the Company (or such part thereof not at the time held by the person making the take-over offer ("**Offeror**") or any persons acting in concert with the Offeror);

- (ii) the Offeror becoming entitled or bound to exercise the right of compulsory acquisition of the Shares under any applicable statutes, rules, and/or regulations and giving notice to the ESOS Grantee(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 ESOS Committee may at its discretion to the extent permitted by law permit the vesting of the ESOS Awards and the ESOS Grantee(s) will be entitled to within such period to be determined by the ESOS Committee, to subscribe and/or exercise all or any of his/her ESOS Awards and the Directors of the Company shall use their best endeavours to procure that such a general offer be extended to the new Shares that may be issued pursuant to the ESOS Award(s) under these By-Law.

In the foregoing circumstances, all ESOS Award(s) which the ESOS Committee permits to be vested and/or exercised, shall automatically lapse and become null and void to the extent remain unvested and/or unexercised by the date prescribed by the ESOS Committee notwithstanding that the ESOS Award Date(s) 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 ESOS Committee, in the event of the court sanctioning a compromise or arrangement between the Company and its members proposed for the purpose of, or in connection with, a scheme of arrangement and reconstruction of the Company under 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 ESOS Committee may, at its absolute discretion, decide whether a ESOS Grantee may be entitled to vest and/or to exercise all or any of his/her unvested and/or unexercised ESOS Awards at any time commencing from the date upon which the compromise or arrangement is sanctioned by the court and ending on the date upon which it becomes effective PROVIDED ALWAYS THAT no ESOS Awards shall be vested and ESOS Awards shall be subscribed and/or exercised after the expiry of the ESOS Award Date. Upon the compromise or arrangement becoming effective, all unvested and/or unexercised ESOS Awards shall automatically lapse and become null and void and of no further force and effect.

11. DIVESTMENT FROM AND TRANSFER TO/FROM THE GROUP

- 11.1 If an ESOS Grantee(s) is in the employment of a company within the Group and such company is subsequently divested, wholly or in part, from AWC Group, the ESOS Grantee(s):
- (i) shall cease to be capable of being vested with any unvested ESOS Awards awarded to him/her under the Proposed ESOS from the date of completion of such divestment or the Date of Expiry, whichever expires first;
 - (ii)
 - (iii) will not be entitled to exercise any unexercised vested ESOS Options from the date of completion of such divestment, unless the ESOS Committee at its discretion permit such exercise of the unexercised vested ESOS Option or the vesting of the unvested ESOS Awards including its allocation thereof. For avoidance of doubt, save and except to the extent permitted by the ESOS Committee, all existing ESOS Awards shall automatically lapse and become null and void and of no further force and effect; and
 - (iii) shall not be eligible to participate for further ESOS Award(s) under the Proposed ESOS as from the date of completion of such divestment.

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11.2 For the purposes of By-Law 11.1 above, a company shall be deemed to be divested from AWC Group or disposed of from AWC Group in the event that the effective interest of the Company in such company is reduced from above fifty percent (50%) to fifty percent (50%) or below so that such company would no longer be a subsidiary of the Company pursuant to Section 4 of the Act (other than pursuant to a takeover, scheme of arrangement, amalgamation, reconstruction, merger or otherwise as provided under the By-Law 10).

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 AWC Group) and is subsequently transferred from such company to any company within AWC Group; or
- (ii) an employee who was in the employment of a company which subsequently becomes a company within AWC Group as a result of a restructuring or acquisition exercise or otherwise involving the Company and/or any company within AWC 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 Proposed ESOS for the remaining duration of the Proposed ESOS, 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 AWC 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 Proposed ESOS, the Proposed ESOS shall apply to the employees of such company on the date that such company becomes a subsidiary of AWC Group (PROVIDED THAT such subsidiary is not dormant) falling within the meaning of the expression of “**Eligible Person**” under By-Law 1 and the provisions of these By-Laws shall apply.

12. WINDING UP

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

13. DURATION AND TERMINATION OF THE PROPOSED ESOS

13.1 The Effective Date for the implementation of the Proposed ESOS 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 and quotation of such number of new Shares representing up to fifteen percent (15%) of the total number of issued Shares of the Company on the Main Market of Bursa Securities;

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- (iii) procurement of the shareholders' approval for the Proposed ESOS in a general meeting;
- (iv) receipt of the approval of any other relevant authorities whose approvals are necessary in respect of the Proposed ESOS, where applicable; 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 submit, through its Principal Adviser, a confirmation letter to Bursa Securities of full compliance with the relevant requirements of Bursa Securities stating the Effective Date of implementation of the Proposed ESOS. The confirmation letter shall be submitted to Bursa Securities no later than five (5) Market Days after the Effective Date.

- 13.2 The Proposed ESOS, when implemented, shall be in force for a period of five (5) years from the Effective Date. The Company may, if the Board deems fit and upon the recommendation of the ESOS Committee, extend the Proposed ESOS for a period of up to another five (5) years immediately from the expiry of the first five (5) years, and shall not in aggregate exceed ten (10) years from the Effective Date. Such extended ESOS shall be implemented in accordance with the terms of these By-Laws, save for any amendments and/or changes to the relevant statutes and/or regulations then in force. Unless otherwise required by the relevant authorities, no further approvals shall be required for the extension of the Proposed ESOS and the Company shall serve appropriate notices on each ESOS Grantee(s) and/or make any necessary announcements to any parties and/or Bursa Securities, if required prior to the Date of Expiry of the Proposed ESOS.
- 13.3 The ESOS Award(s) can only be made from the Effective Date and up to the Date of Expiry.
- 13.4 Notwithstanding anything to the contrary, all unvested ESOS Awards and/or unexercised vested ESOS Options shall lapse and become null and void on the Date of Expiry.
- 13.5 Subject to compliance with the Listing Requirements and other requirements of Bursa Securities and any other relevant authorities, the Company may, if the Board deems fit and upon the recommendation of the ESOS Committee, at any time before the Date of Expiry, terminate the Proposed ESOS in accordance with the terms of these By-Laws PROVIDED THAT the Company makes an announcement immediately to Bursa Securities on the following:
- (i) the effective date of termination of the Proposed ESOS ("**Termination Date**");
 - (ii) the number of ESOS Option(s) exercised pursuant to the ESOS; and
 - (iii) the reasons for the termination of the Proposed ESOS.
- 13.6 In the event of termination as stipulated in By-Law 13.5 above, the following provisions shall apply:
- (i) no further ESOS Award(s) shall be awarded by the ESOS Committee from the Termination Date;
 - (ii) all ESOS Award(s) which have yet to be accepted by the Eligible Persons shall automatically lapse and become null and void on the Termination Date; and
 - (iii) any ESOS Award(s) which have yet to be vested or exercised (as the case may be and whether fully or partially) awarded under the Proposed ESOS shall be deemed cancelled and be null and void on the Termination Date.

- 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 ESOS Grantee(s) in relation to unvested and/or unexercised ESOS Award(s) are not required to effect a termination of the Proposed ESOS.

14. ADMINISTRATION AND IMPLEMENTATION OF THE PROPOSED ESOS

- 14.1 The Proposed ESOS shall be administered by the ESOS Committee. The ESOS Committee shall, subject to these By-Laws, administer the Proposed ESOS 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 ESOS Committee shall be final and binding.
- 14.2 Without limiting the generality of By-Law 14.1, the ESOS Committee may, for the purpose of administering the Proposed ESOS, do all acts and things, rectify any error(s) in the ESOS Award(s), execute all documents and delegate any of its powers and duties relating to the Proposed ESOS as it may at its sole discretion consider to be necessary or desirable for giving effect to the Proposed ESOS including the powers to:
- (i) subject to the provisions of the Proposed ESOS, construe and interpret the Proposed ESOS and ESOS Award(s) awarded under it, to define the terms therein and to recommend to the Board to establish, amend and/or revoke rules and regulations relating to the Proposed ESOS and its administration. The ESOS Committee in the exercise of this power may correct any defects, supply any omission, or reconcile any inconsistency in the Proposed ESOS or in any agreement providing for the ESOS Award(s) in a manner and to the extent it shall deem necessary to expedite and make the Proposed ESOS fully effective; and
 - (ii) determine all question of policy and expediency that may arise in the administration of the Proposed ESOS 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 ESOS Committee as it shall deem fit.
- 14.4 In implementing the Proposed ESOS, the ESOS Committee may at its absolute discretion decide that the ESOS Awards be satisfied by the following methods:
- (i) issuance of new Shares;
 - (ii) acquisition of existing Shares from the open market;
 - (iii) payment of the equivalent cash value of such new Shares and/or existing Shares;
 - (iv) any other methods as may be permitted by the Act; or
 - (v) a combination of any of the above.

In considering the mode of satisfaction as referred to in (i) to (vi) above, the ESOS Committee shall take into consideration, among others, factors such as the issue price of the new Shares (which shall be determined based on the fair value of the Shares as at the date of the ESOS Awards), the prevailing market price of the Shares, funding requirements of the Group, dilutive effects of any such issuance of the Company's share capital base, future returns, potential cost arising from the grant of the ESOS Awards and any applicable laws, regulatory requirements and/or administrative constraints. The mode of satisfaction to be made by the Company shall be at the discretion of the ESOS Committee.

15. MODIFICATION, VARIATION AND/OR AMENDMENT TO THE PROPOSED ESOS

- 15.1 Subject to By-Law 15.2, compliance with the Listing Requirements and other requirements of Bursa Securities and any other relevant authorities, the ESOS Committee may at any time and from time to time recommend to the Board any additions, amendments, modifications and/or deletions of these By-Laws as it shall at its sole discretion deem fit. Further, the Board shall have the power, at any time and from time to time, by resolution to add, amend, modify and/or delete all or any of the terms in these By-Laws upon such recommendation and subject to the Company submitting the amended By-Laws together with a letter of compliance to Bursa Securities each time an amendment and/or modification is made, stating that such amendment and/or modification is in compliance with the provisions of the Listing Requirements and the Rules of Bursa Depository.
- 15.2 Subject to By-Law 15.3, the approval of the shareholders of the Company in a general meeting shall not be required in respect of any additions, amendments, modifications and/or deletions of these By-Laws, save and except if such additions, amendments, modifications and/or deletions of these By-Laws would:
- (i) prejudice any rights which would have accrued to any ESOS Grantee(s) without the prior consent or sanction of that ESOS Grantee(s);
 - (ii) increase the number of Shares available under the Proposed ESOS beyond the maximum amount set out in By-Law 5 above;
 - (iii) prejudice any rights of the shareholders of the Company; or
 - (iv) alter to the advantage of an Eligible Person, any matters which is required to be contained in the By-Laws by virtue of the Listing Requirements,
- subject to the Company submitting to Bursa Securities a confirmation letter each time an amendment, and/or modification is made stating that the amendment and/or modification does not contravene any of the provisions of the Listing Requirements and Rules of Bursa Depository pertaining to the Proposed ESOS no later than five (5) Market Days after the effective date of the said amendment or modification.
- 15.3 The ESOS Committee shall within ten (10) Market Days of any addition, amendment, modification and/or deletion made pursuant to these By-Laws notify the ESOS Grantee(s) in writing of any addition, amendment, modification and/or deletion made pursuant to these By-Laws.

16. INSPECTION OF THE AUDITED FINANCIAL STATEMENTS

- 16.1 All ESOS Grantee(s) are entitled to inspect the latest audited financial statements of the Company at the registered office of the Company during normal business hours on any working day of the registered office.

17. ESOS NOT A TERM OF EMPLOYMENT

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

18. NO COMPENSATION FOR TERMINATION

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

18.2 Notwithstanding any provisions of these By-Laws:

- (i) this ESOS shall not form part of any contract of employment between the Company or any company within AWC Group (excluding dormant subsidiaries, if any) and any Eligible Person of any company of AWC Group (excluding dormant subsidiaries, if any). The rights of any Eligible Person under the terms of his/her office and/or employment with any company within AWC Group (excluding dormant subsidiaries, if any) shall not be affected by his/her participation in the Proposed ESOS, nor shall such participation or the ESOS Award(s) or consideration for the ESOS Award(s) afford such Eligible Person any additional rights to compensation or damages in consequence of the termination of such office or employment for any reason;
- (ii) this ESOS shall not confer on any person any legal or equitable right or other rights under any other law (other than those constituting the ESOS Award(s)) against the Company or any company within AWC Group (excluding dormant subsidiaries, if any), 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 AWC Group;
- (iii) no ESOS Grantee(s) or his/her personal or legal representative (as the case may be) shall bring any claim, action or proceeding against any company within AWC Group, the ESOS Committee or any other party for compensation, loss or damages whatsoever and howsoever arising from the suspension/cancellation of his/her rights to his/her ESOS Award(s) or his/her ESOS Award(s) ceasing to be valid pursuant to the provisions of these By-Laws; and
- (iv) the Company, the Board (including Directors that had resigned but were on the Board during the duration of the Proposed ESOS) or the ESOS Committee shall in no event be liable to the ESOS Grantee(s) or his/her personal or legal representative (as the case may be) or any other person or entity for any third party claim, loss of profits, loss of opportunity, loss of savings or any punitive, incidental or consequential damage, including without limitation lost profits or savings, directly or indirectly arising from the breach or non-performance of these By-Laws or any loss suffered by reason of any change in the price of the Shares or from any other cause whatsoever whether known or unknown, contingent, absolute or otherwise, whether based in contract, tort, equity, indemnity, breach of warranty or otherwise and whether pursuant to common law, statute, equity or otherwise, even if any company within AWC Group, the Board or the ESOS Committee has been advised of the possibility of such damage.

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19. DISPUTES

- 19.1 In case any dispute or difference shall arise between the ESOS Committee and an Eligible Person or a ESOS Grantee or in the event of an appeal by an Eligible Person, as the case may be, as to any matter of any nature arising hereunder, such dispute or appeal must have been referred to and received by the ESOS Committee during the duration of the Proposed ESOS. The ESOS Committee then shall determine such dispute or difference by a written decision (without the obligation to give any reason thereof) given to the Eligible Person and/or the ESOS Grantee, as the case may be PROVIDED THAT where the dispute is raised by a member of the ESOS Committee, the said member shall abstain from voting in respect of the decision of the ESOS Committee in that instance. In the event the Eligible Person or the ESOS Grantee(s), as the case may be, shall dispute the decision made by the ESOS Committee within fourteen (14) days of the receipt of the written decision, then such dispute or difference shall be referred to the Board, whose decision shall be final and binding in all respects, PROVIDED THAT any Director of the Company who is also in the ESOS Committee shall abstain from voting and no person shall be entitled to dispute any decision or certification which is stated to be final and binding under these By-Laws. Notwithstanding anything herein to the contrary, any costs and expenses incurred in relation to any dispute or difference or appeal brought by any party to the ESOS 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 shall be referred to the external auditors or the Principal Adviser of the Company who shall act as experts and not as arbitrators and whose decision shall be final and binding in all respects.

20. COSTS AND EXPENSES

- 20.1 Unless otherwise stipulated in the ESOS Award(s), all fees, costs and expenses incurred in relation to the administration and management of the Proposed ESOS including but not limited to the fees, costs and expenses relating to the granting, vesting, allotment and issuance and/or transfer of the Shares pursuant to the ESOS Award(s), shall be borne by the Company. Notwithstanding this, the ESOS Grantee(s) shall bear any fees, costs and expenses incurred in relation to his/her acceptance of the ESOS Award(s) under the Proposed ESOS and any holding or dealing of the Shares after the Shares have been successfully issued and allotted or transferred to the ESOS Grantee(s) pursuant to the ESOS Award(s), including but not limited to the opening and maintenance of his/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, in which event such provisions of the By-Laws shall prevail.

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 and/or exercising of the ESOS Option(s) and any holding or dealing of such Shares (including but not limited to brokerage commissions and stamp duty) under the Proposed ESOS shall be borne by the ESOS Grantee(s) for his/her own account and the Company shall not be liable for any one or more of such costs, fees, levies, charges and/or taxes.

23. LISTING AND QUOTATION OF THE SHARES

- 23.1 The new Shares to be allotted and issued pursuant to the exercise of the ESOS Options and/or vesting of Shares pursuant to the ESOS Award(s) will be listed and quoted on the Main Market of Bursa Securities.
- 23.2 The Company and the ESOS Committee shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever relating to the delay on the part of the Company in allotting and issuing the Shares or in procuring Bursa Securities to list the Shares for which the ESOS Grantee(s) are entitled to.

24. NOTICE

- 24.1 Any notice or request under the Proposed ESOS required to be given to or served upon the ESOS Committee by an Eligible Person or ESOS Grantee(s) or any correspondence to be made between an Eligible Person or ESOS Grantee(s) to the ESOS Committee shall be given or made in writing and either delivered by hand or sent to the ESOS Committee or the Company by email or ordinary letter. Notwithstanding the foregoing, proof of posting shall not be evidence of receipt of the letter.
- 24.2 Any notice or request which the Company is required to give, or may desire to give, to any Eligible Person or the ESOS Grantee(s) pursuant to the Proposed ESOS shall be in writing and shall be deemed to be sufficiently given:
- (i) if it is sent by ordinary post by the Company to the Eligible Person or the ESOS Grantee(s) at the last address known to the Company as being his/her address such notice or request shall be deemed to have been received three (3) Market Days after posting;
 - (ii) if it is delivered by hand to the Eligible Person or the ESOS Grantee(s), such notice or request shall be deemed to have been received on the date of delivery; and
 - (iii) if it is sent by electronic media, including but not limited to electronic mail to the Eligible Person or the ESOS Grantee(s), such notice or request shall be deemed to have been received by the recipient on the Market Day immediately following the day on which the electronic mail is sent or (in the case of communication by other digital means) on the Market Day immediately following the day on which such communication is effected.

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

- 24.3 Where any notice or request which the Company or the ESOS Committee is required to give, or may desire to give, in relation to matters which may affect all the Eligible Persons or all the ESOS Grantee(s) (as the case may be) pursuant to the Proposed ESOS, the Company or the ESOS Committee may give such notice through an announcement to all employees of AWC Group to be made in such manner deemed appropriate by the ESOS Committee (including via electronic media). Upon the making of such an announcement, the notice to be made under By-Law 24.2 above shall be deemed to be sufficiently given, served or made to all affected Eligible Persons or ESOS Grantee(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 in any respect, shall be ineffective to the extent of such illegality, voidness, prohibition or unenforceability without invalidating the remaining provisions hereof, and any such illegality, voidness, prohibition or unenforceability shall not invalidate or render illegal, void or unenforceable any other term, condition, stipulation or provision herein contained.

26. DISCLOSURES IN ANNUAL REPORT

- 26.1 The Company will make such disclosures in its annual report for as long as the Proposed ESOS continues to be in operation as from time to time required by the Listing Requirements (where applicable) including a statement by the Audit Committee verifying that the allocation of ESOS Options is in compliance with the criteria for allocation by the Company to the Grantees under these By-Laws.

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 ESOS or upon termination of this Scheme.
- 27.2 The Company may implement more than one (1) scheme PROVIDED THAT the aggregate number of Shares available under all the Proposed ESOS 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 Proposed ESOS, these By-Laws and all ESOS Award(s) awarded as well as actions taken under this ESOS shall be governed by and construed in accordance with the laws of Malaysia.
- 28.2 The Eligible Persons, by accepting the ESOS Award(s) in accordance with these By-Laws and terms of the Proposed ESOS and the Constitution, irrevocably submit to the exclusive jurisdiction of the courts in Malaysia.

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SECTION 1**Employees' Share Option Scheme ("ESOS")****29. ESOS AWARD**

- 29.1 During the duration of the Proposed ESOS as provided under By-Law 13, the ESOS Committee may, at its sole discretion, at any time and from time to time award the ESOS Award(s) in writing to an Eligible Person subject to the Maximum Limit 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 ESOS Committee to that Eligible Person.
- 29.2 The actual number of ESOS Option(s) which may be awarded to an Eligible Person shall be at the discretion of the ESOS Committee, subject to any adjustments that may be made under By-Law 9. The number of the Shares which may be allotted and issued upon exercise the ESOS Option(s) shall not be less than one hundred (100) Shares nor more than the Maximum Limit as set out in By-Law 5 and shall be in multiples of one hundred (100) Shares. The ESOS Committee may stipulate any terms and conditions it deems appropriate in an ESOS Award(s) and the terms and conditions of each may differ.
- 29.3 The ESOS Committee shall, in its ESOS Award's letter to an Eligible Person, state, among others:
- (i) the number of ESOS Option(s) under the ESOS Award(s) that are being offered to the Eligible Person;
 - (ii) the number of Share(s) which the Eligible Person shall be entitled to subscribe for upon the exercise of the ESOS Option(s);
 - (iii) the ESOS Award Date;
 - (iv) the manner of acceptance of the ESOS Award(s);
 - (v) the ESOS Exercise Price;
 - (vi) the closing date for acceptance of the ESOS Award(s);
 - (vii) the vesting conditions of the ESOS Option(s) as determined by the ESOS Committee, if any;
 - (viii) ESOS Vesting Date(s); and
 - (ix) any other terms and conditions deemed necessary by the ESOS Committee.
- 29.4 Without prejudice to By-Law 14, in the event the ESOS Award's letter contains an error on the part of the Company in stating any of the particulars in By-Law 29.3 above, the following provisions shall apply:
- (i) as soon as possible but in any event no later than one (1) month after discovery of the error, the Company shall issue a supplemental ESOS Award letter, stating the correct particulars referred to in By-Law 29.3;

- (ii) in the event that the error relates to particulars other than the ESOS Exercise Price, the ESOS Exercise Price applicable in the supplemental ESOS Award letter shall remain as the ESOS Exercise Price as per the original ESOS Award's letter; and
- (iii) in the event that the error relates to the ESOS Exercise Price, the applicable ESOS Exercise Price shall be the ESOS Exercise Price in the supplemental ESOS Award's letter and with effect as at the date of the supplemental ESOS Award's letter, save and except with respect to any ESOS Option(s) which have already been exercised as at the date of issue of the supplemental ESOS Award's letter.

30. ACCEPTANCE

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

31. ESOS VESTING CONDITIONS AND EXERCISE OF OPTIONS

- 31.1 Subject to the provisions of these By-Laws, the ESOS Option(s) awarded to the ESOS Grantee(s) are exercisable by that ESOS Grantee(s) during his/her employment in AWC Group (excluding dormant subsidiaries, if any) during the duration of the Proposed ESOS. All unexercised ESOS Options shall become null and void after the expiry date of this ESOS without any claim against the Company or any company within AWC Group.
- 31.2 The ESOS Committee shall, as and when it deems necessary, review and determine at its own discretion the vesting conditions specified in respect of the ESOS Award(s). The ESOS Option(s) can be exercised by the ESOS Grantee(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 Grantee(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(s); and
 - (ii) any other conditions which are determined by the ESOS Committee.

APPENDIX I – DRAFT BY-LAWS

- 31.3 If applicable, where the ESOS Committee has determined that the vesting conditions have been fully and duly satisfied, the ESOS Committee shall notify the ESOS Grantee(s) the number of ESOS Options vested or which will be vested to him/her on the ESOS Vesting Date ("**ESOS Vesting Notice**").
- 31.4 An ESOS Grantee shall exercise his/her vested ESOS Option(s) by notice in writing to the Company in such form as the ESOS Committee may prescribe or approve. The procedure for the exercise of the ESOS Option(s) to be complied with by an ESOS Grantee(s) shall be determined by the ESOS Committee from time to time.
- 31.5 Every written notice to exercise the ESOS Option(s) shall state the number of Shares that an ESOS Grantee intends to subscribe and shall state his/her CDS Account number ("**Notice of Exercise**").
- 31.6 The ESOS Grantee(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 ESOS Committee for the full amount of the ESOS Exercise Price in relation to the number of Shares in respect of which the Notice of Exercise is given. Subject to the provisions of the Listing Requirements, the Central Depositories Act, the Rules of Bursa Depository, the Constitution and any other relevant laws, the Company shall within eight (8) Market Days from the date of receipt of the Notice of Exercise or such other period as may be prescribed or allowed by Bursa Securities:
- (i) allot and issue such number of new Shares to the ESOS Grantee(s);
 - (ii) despatch a notice of allotment to the ESOS Grantee(s); and
 - (iii) apply for quotation of such new Shares on the Main Market of Bursa Securities.
- 31.7 The Shares arising from the exercise of the ESOS Award(s) shall be credited directly to the CDS Account of the ESOS Grantee(s) and no physical share certificate will be issued and delivered to the ESOS Grantee(s). The ESOS Grantee(s) shall provide the ESOS Committee with his/her CDS Account number when accepting the ESOS Award(s). Any change to the ESOS Grantee(s)' CDS Account number will need to be made in writing to the ESOS Committee.
- 31.8 Any failure to comply with the procedures specified by the ESOS Committee or to provide information as required by the Company in the Notice of Exercise or inaccuracy in the CDS Account number provided shall result in the Notice of Exercise being rejected at the sole discretion of the ESOS Committee. The ESOS Committee shall inform the ESOS Grantee of the rejection of the Notice of Exercise within five (5) Market Days from the date of rejection and the ESOS Grantee shall then be deemed not to have exercised his/her ESOS Option(s).
- 31.9 The ESOS Committee may within its power under By-Law 14, at any time and from time to time, before and after the ESOS Award(s) is awarded, limit the exercise of the ESOS Options to a maximum number of Shares and/or such percentage of the total Shares comprised in the ESOS Options and impose any other terms and/or conditions deemed appropriate by the ESOS Committee in its sole discretion including amending or varying any terms and conditions imposed earlier.

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- 31.10 An ESOS Grantee shall exercise the ESOS Option(s) awarded to him/her in whole or in multiples of one hundred (100) new Shares or such other units of the Shares constituting one (1) board lot as may be determined by the ESOS Committee, save and except where an ESOS Grantee's balance of ESOS Option(s) exercisable in accordance with these By-Laws shall be less than one hundred (100) new Shares or such other units of the Shares constituting one (1) board lot as may be determined by the ESOS 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 Grantee from exercising the ESOS Option(s) as to the balance of any ESOS Option(s).
- 31.11 Notwithstanding anything contrary contained in these By-Laws, the ESOS Committee shall have the right, at its sole discretion by notice in writing to the relevant ESOS Grantee(s) to that effect, to suspend the right of any ESOS Grantee(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 Grantee or are found to have had no basis or justification) to exercise his/her ESOS Option(s) pending the outcome of such disciplinary proceedings.
- 31.12 In addition to the right to suspend, the ESOS Committee may impose such terms and conditions as the ESOS Committee shall deem appropriate at its sole discretion, on the ESOS Grantee(s)' right to exercise his/her ESOS Option(s) having regard to the nature of the charges made or brought against such ESOS Grantee(s), PROVIDED ALWAYS THAT:
- (i) in the event such ESOS Grantee(s) is found not guilty of the charges which gave rise to such disciplinary proceedings, the ESOS Committee shall reinstate the right of such ESOS Grantee 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 Grantee, all unexercised and partially exercised ESOS Option(s) of the ESOS Grantee shall immediately lapse and become null and void and of no further force and effect, without notice to the ESOS Grantee, upon pronouncement of the dismissal or termination of service of such ESOS Grantee notwithstanding that such recommendation, dismissal and/or termination of service may be subsequently challenged or disputed by the ESOS Grantee in any other forum; or
 - (iii) in the event the ESOS Grantee is found guilty but no dismissal or termination of service is recommended, the ESOS Committee shall have the right to determine at its sole discretion whether or not the ESOS Grantee 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 ESOS Committee to enquire into or investigate the substantiveness and/or validity of such disciplinary proceedings and the ESOS Committee shall not under any circumstances be held liable for any costs, losses, expenses, damages or liabilities, gains or profits foregone, arising from the ESOS Committee's exercise of or failure to exercise any of its rights under these By-Laws.

32. NON-TRANSFERABILITY

- 32.1 An ESOS Award(s) is personal to the Eligible Person(s) and shall be accepted solely by that Eligible Person(s) during his/her lifetime whilst he/she is in the employment of any company in the Group (excluding dormant subsidiaries, if any) and is not capable of being accepted by any third party on behalf of that Eligible Person(s) by his/her representative or by any other persons.
- 32.2 Subject to the provisions in these By-Laws, an ESOS Award(s) is personal to the ESOS Grantee(s) during his/her employment or appointment within AWC Group (excluding dormant subsidiaries, if any) and it shall not be transferred, assigned or disposed of by the ESOS Grantee(s).

33. ESOS EXERCISE PRICE

- 33.1 Subject to any adjustments in accordance with By-Law 9 and pursuant to the Listing Requirements, the ESOS Exercise Price shall be based on a price to be determined by the Board upon recommendation of the ESOS Committee which will be based on the 5-day VWAP of the Shares immediately preceding the ESOS Award Date, with a discount of not more than ten percent (10%) during the duration of the Proposed ESOS.

34. TERMINATION OF ESOS AWARD(S)

- 34.1 Prior to the full vesting of any ESOS Award(s) in the manner as provided for under By-Law 34.3, 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 Grantee(s) within AWC Group (excluding dormant subsidiaries, if any) 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 AWC Group (excluding dormant subsidiaries, if any) on the day the ESOS Grantee(s)' employer accepts his/her notice of resignation or the ESOS Grantee(s)' employer notifies the ESOS Grantee(s) of termination of his/her employment or on the day the ESOS Grantee(s) notifies his/her employer of his/her resignation or on the ESOS Grantee(s)' last day of employment, whichever is earlier;
 - (ii) bankruptcy of the ESOS Grantee(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 AWC Group (excluding dormant subsidiaries, if any) on the date a receiving order is made against the ESOS Grantee(s) by a court of competent jurisdiction;
 - (iii) upon the occurrence of any other event which results in the ESOS Grantee(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 AWC Group on the date such event occurs;
 - (iv) winding up or liquidation of the Company, in such event the ESOS Option(s) shall be automatically terminated on the following date:
 - (a) in the case of a voluntary winding up, the date on which a provisional liquidator is appointed by the Company; or

APPENDIX I – DRAFT BY-LAWS

- (b) in the case of an involuntary winding up, the date on which a petition for winding up is served on the Company; or
 - (v) termination of the Proposed ESOS 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 AWC Group on the termination date,
- whichever shall be applicable.
- 34.2 Upon the termination of the ESOS Award(s) pursuant to By-Laws 34.1 above, the ESOS Grantee(s) shall have no right to compensation or damages or any claim against the Company or any company within AWC Group from any loss of any right or benefit or prospective right or benefit under the Proposed ESOS which he/she might otherwise have enjoyed, whether for wrongful dismissal or breach of contract or loss of office or otherwise howsoever arising from him/her ceasing to hold office or employment or from the suspension of his/her entitlement to the award of, acceptance or vesting of any ESOS Award(s) or his/her ESOS Award(s) ceasing to be valid.
- 34.3 Notwithstanding By-Law 34.1 above, the ESOS Committee may at its discretion allow an ESOS Grantee to continue to hold and to exercise any ESOS Option(s) held by him/her in accordance with the provisions of these By-Laws on such terms and conditions as it shall deem fit if the cessation of employment occurs as a result of:
 - (i) retirement upon or after attaining the age in accordance with the Company's retirement policy;
 - (ii) retirement before attaining the normal retirement age with the consent of his/her employer;
 - (iii) ill-health, injury, physical or mental disability;
 - (iv) redundancy, retrenchment pursuant to the acceptance by that ESOS Grantee(s) or voluntary separation scheme offered by a company within AWC Group; or
 - (v) any other circumstances as may be deemed as acceptable to the ESOS Committee in its sole discretion.
- 34.4 Applications under By-Law 34.3 above shall be made during the duration of the Proposed ESOS and:
 - (i) in a case where By-Law 34.3(i), (ii) or (v) is applicable, within one (1) month before the ESOS Grantee(s)' last day of employment, the ESOS Grantee(s) may be vested with such number of unvested Shares under the ESOS Award(s) within the said one (1) month period. In the event that no application is received by the ESOS Committee within the said period, any such number of unvested Shares under the ESOS Award(s) at the expiry of the said period shall be automatically terminated;

- (ii) in a case where By-Law 34.3(iii) is applicable, within one (1) month after the ESOS Grantee(s) notifies his/her employer of his/her resignation due to ill-health, injury, physical or mental disability, the ESOS Grantee(s) may be vested with such number of unvested Shares under the ESOS Award(s) within the said one (1) month period. In the event that no application is received by the ESOS Committee within the said period, any unvested Shares under the ESOS Award(s) at the expiry of the said period shall be automatically terminated; and
 - (iii) in a case where By-Law 34.3(iv) is applicable, within one (1) month after the ESOS Grantee(s) are notified that he/she will be retrenched or, where he/she is given an offer by his/her employer as to whether he/she wishes to accept retrenchment upon certain terms, within one (1) month after he/she accepts such offer. Thereafter, any such number of unvested and/or unexercised Shares under the ESOS Award(s) at the expiry of the said period shall be automatically terminated.
- 34.5 The ESOS Committee shall consider applications under By-Law 34.3 on a case-to-case basis and may at its sole discretion approve or reject any application in whole or in part without giving any reasons thereof and may impose any terms and conditions in granting an approval. The decisions of the ESOS Committee shall be final and binding. In the event the ESOS Committee approves an application in whole or in part, the ESOS Grantee(s) may exercise the ESOS Option(s) which are the subject of the approval for such period so approved by the ESOS Committee during the duration of the Proposed ESOS and subject to the provisions of By-Law 31. Any ESOS Option(s) in respect of which an application is rejected shall be deemed automatically terminated on the date of termination stipulated in the relevant paragraph of By-Law 34.1 or on the date of the ESOS Committee's decision, whichever is later.
- 34.6 In the event an ESOS Grantee(s) dies before the expiration of the duration of the Proposed ESOS and at the time of his/her death holds unexercised ESOS Option(s), such unexercised ESOS Option(s) may be exercised by the representative of the deceased ESOS Grantee(s) after the date of his/her death PROVIDED THAT such exercise shall be within the duration of the Proposed ESOS subject to the approval of the ESOS Committee.
- 34.7 Notwithstanding By-Law 34.6 above, the ESOS Grantee(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 Grantee(s)) or after the death of the deceased ESOS Grantee(s) but in any event during the duration of the Proposed ESOS. The ESOS Option(s) exercised pursuant to the provision of this By-Law 34.7 may be for the benefit of the estate of the ESOS Grantee(s) or the personal benefit of the nominated person. The nomination as aforesaid shall be made by the ESOS Grantee(s) during his/her lifetime and shall be in the prescribed form approved by the ESOS Committee and the Shares to be allotted and issued will be in the name of the deceased ESOS Grantee(s)'s estate or in the name of the nominated person as the ESOS Grantee(s) shall elect in his/her lifetime. In the event no nomination is made by the ESOS Grantee(s) during his/her lifetime, his/her unexercised ESOS Option(s) shall only be exercised by the legal personal representatives pursuant to By-Law 34.6 above.
- 34.8 For the purposes of By-Law 34.7 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 Grantee(s).

APPENDIX II – FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been reviewed and approved by our Board, and the Directors individually and collectively accept full responsibility for the accuracy of the information contained herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. CONSENT

RHB Investment Bank, being the Principal Adviser for the Proposals and Proposed Share Buy-Back, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

3. DECLARATION OF CONFLICT OF INTEREST

RHB Investment Bank has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Principal Adviser to AWC for the Proposals and Proposed Share Buy-Back.

4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, save as disclosed below, our Group is not engaged in any material litigation, claims or arbitration either as plaintiff or defendant. Our Board further confirms that there are no proceedings pending or threatened against our Group, nor any facts likely to give rise to any proceedings which might materially or adversely affect the position or business of our Group.

Arbitration between Trackwork & Supplies Sdn Bhd and Emrail Sdn Bhd

Trackwork & Supplies Sdn Bhd, a subsidiary of AWC, had initiated arbitration proceedings against Emrail Sdn Bhd for non-payment of invoices amounting to RM2,163,420.00 for goods and materials supplied.

An arbitral award dated 29 October 2025 was issued in favour of Trackwork & Supplies Sdn Bhd, ordering Emrail Sdn Bhd to pay the sum of RM2,163,420.00 with interest of 5% per annum from 15 September 2021 until full settlement, together with arbitration costs amounting to RM303,920.43.

The arbitration has concluded in favour of our Group.

5. MATERIAL COMMITMENTS

As at the LPD, our Board confirms that there are no material commitments incurred or known to be incurred by our Group which may have a material impact on the financial results/ position of our Group.

6. CONTINGENT LIABILITIES

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

APPENDIX II – FURTHER INFORMATION

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our Company's registered office at Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan during normal business hours (except public holidays) from the date hereof up to time stipulated for the holding of the EGM:

- (i) the Constitution of AWC;
- (ii) the audited consolidated financial statements of AWC Group for the past 2 financial years for the FYE 30 June 2024 and FYE 30 June 2025;
- (iii) the letter of consent and declaration of conflict of interest referred to in Section 2 and Section 3 of Appendix II, respectively;
- (iv) the draft By-Laws as set out in **Appendix I** of this Circular;
- (v) the draft Deed Poll; and
- (vi) the relevant cause papers in respect of the material litigation referring to in **Section 4** of **Appendix II** of this Circular.

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AWC BERHAD

(Registration No. 200101014341 (550098-A))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Extraordinary General Meeting ("**EGM**" or "**Meeting**") of AWC Berhad ("**AWC**" or the "**Company**") will be held at Ballroom III, Main Wing, Tropicana Golf and Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor on Wednesday, 17 December 2025 at 10:00 a.m., or at any adjournment thereof, for the purpose of considering and if thought fit, passing the following resolutions with or without modifications:

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF AN EMPLOYEE SHARE OPTION SCHEME OF UP TO 15% OF THE TOTAL NUMBER OF ISSUED ORDINARY SHARES IN AWC (EXCLUDING TREASURY SHARES, IF ANY) ("PROPOSED ESOS")

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

- i. establish, implement and administer the Proposed ESOS during the duration of the Proposed ESOS for the eligible Directors and employees of AWC and its subsidiaries (excluding subsidiaries which are dormant, if any) ("**AWC Group**" or the "**Group**") who fulfil the eligibility criteria ("**Eligible Persons**") in accordance with the provisions of the by-laws governing the rules, terms and conditions of the Proposed ESOS ("**By-Laws**"), a draft of which is set out in Appendix I of the circular to the shareholders of AWC dated 28 November 2025 in relation to the Proposed ESOS ("**Circular**");
- ii. determine the exercise price of the ESOS options based on the terms and conditions set out in the By-Laws;
- iii. allot and issue new ordinary shares in AWC ("**AWC Share(s)**" or "**Share(s)**") from time to time to the Eligible Persons upon the vesting of any award of AWC Shares in writing ("**ESOS Award(s)**") to the Eligible Persons, provided that the total number of such AWC Shares to be issued under the Proposed ESOS shall not in aggregate exceed 15% of the total number of issued Shares (excluding treasury shares, if any) in the Company at any point in time over the duration of the Proposed ESOS;
- iv. add, amend, modify and/ or delete all or any part of the terms and conditions as set out in the By-Laws governing the Proposed ESOS from time to time provided that such addition, amendment, modification and/ or deletion are effected in accordance with the provisions of the By-Laws, and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Proposed ESOS;
- v. extend the duration of the Proposed ESOS for a period of up to another 5 years, provided always that such extension of the Proposed ESOS made in accordance with the provisions of the By-Laws shall not in aggregate exceed a duration of 10 years from the date the Proposed ESOS takes effect or such other period determined by the relevant authorities;
- vi. do all things necessary and make the necessary applications to Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the listing of and quotation for new AWC Shares that may, hereafter from time to time, be allotted and issued under the Proposed ESOS; and

- vii. to appoint and authorise a committee ("**ESOS Committee**") by which the Proposed ESOS will be administered in accordance with the By-Laws by the said ESOS Committee, who will be responsible for, amongst others, implementing and administering the Proposed ESOS. The members of the ESOS Committee shall comprise such number of Directors and/ or senior management personnel of the Group to be identified from time to time.

THAT any new AWC Shares to be allotted and issued pursuant to the Proposed ESOS, shall upon allotment and issuance, rank equally in all respects with the existing AWC Shares save and except that such AWC Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid to shareholders where the entitlement date of which precedes the relevant date of issuance and allotment of such AWC Shares;

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

THAT pursuant to Section 85 of the Companies Act, 2016 ("**Act**") read together with Clause 54 of the Company's Constitution, the shareholders of the Company do hereby waive their pre-emptive rights to be offered new AWC Shares ranking equally to the existing issued AWC Shares arising from any issuance of new AWC Shares to the Eligible Persons pursuant to the Proposed ESOS;

AND THAT the draft By-Laws as set out in Appendix I of the Circular and complies with the Main Market Listing Requirements of Bursa Securities ("**Listing Requirements**"), be and is hereby approved and adopted and the Directors of the Company be and are hereby authorised to give effect to the Proposed ESOS with full power to modify and/or amend the By-Laws from time to time as may be required or deemed necessary in accordance with the provisions of the By-Laws relating to amendments and/or modifications and to assent to any conditions, modifications, revaluations, variations and/or amendments as may be required by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed ESOS."

ORDINARY RESOLUTIONS 2 TO 8

PROPOSED ALLOCATION TO THE FOLLOWING ELIGIBLE PERSONS WHO ARE DIRECTORS OF THE COMPANY AND/OR PERSONS CONNECTED WITH THEM UNDER THE PROPOSED ESOS ("PROPOSED ALLOCATION")

"THAT subject to the passing of the Ordinary Resolution 1 and the approvals of the relevant authorities for the Proposed ESOS, including the approval from Bursa Securities for the listing and quotation for the new AWC Shares to be issued arising from the exercise of the ESOS Options, having been obtained, approval be and is hereby given to the Board at any time and from time to time during the duration of the Proposed ESOS, to offer and grant to each of the Directors and persons connected with them as named therein below respectively, such number of Shares in the Company which will be vested in him/her at a specified future date and to allot and issue and/or deliver such number of options, Shares and/or the equivalent cash value or combinations thereof comprised in the Proposed ESOS granted and/or awarded to him/her from time to time, provided always that not more than ten percent (10%) (or such percentage as allowable by the relevant authorities) of the total number of Shares available under the Proposed ESOS shall be allocated to any eligible Director or employee who, either singly or collectively through persons connected with the eligible Director or employee, holds twenty percent (20%) or more of the total number of issued Shares (excluding treasury shares), subject always to such terms and conditions and/or any adjustment which may be made in accordance with the By-Laws :-

No.	Name	
i.	Dato' Nik Mod Amin Bin Nik Abd Majid (<i>Non-Independent Non-Executive Chairman</i>)	Ordinary Resolution 2
ii.	Sureson A/L Krisnasamy (<i>Independent Non-Executive Director</i>)	Ordinary Resolution 3
iii.	Yang Mulia Tunku Puan Sri Dato' Hajjah Noor Hayati Binti Tunku Abdul Rahman Putra Al-Haj (<i>Independent Non-Executive Director</i>)	Ordinary Resolution 4
iv.	Datuk Hashim Bin Wahir (<i>Independent Non-Executive Director</i>)	Ordinary Resolution 5
v.	Dato' Ahmad Kabeer Bin Mohamed Nagoor (<i>Group Chief Executive Officer/ President</i>)	Ordinary Resolution 6
vi.	Ahmad Nazim Bin Ahmad Kabeer (<i>Vice President, Group CEO Office</i>)	Ordinary Resolution 7
vii.	Ahmad Syahin Bin Ahmad Kabeer (<i>Special Officer to CEO</i>)	Ordinary Resolution 8

Provided always that:-

- i. he/ she does not participate in the deliberation or discussion of his own allocation as well as allocation of ESOS Options to person connected with them, if any;
- ii. the aggregate number of AWC Shares which may be made available under the Proposed ESOS shall not in aggregate exceed 15% of the total number of issued AWC Shares (excluding treasury shares, if any) at any point in time during the duration of the Proposed ESOS;
- iii. not more than 70% of the total ESOS Options available under the Proposed ESOS shall be allocated, in aggregate, to the abovementioned persons and senior management of the Group who are Eligible Persons; and
- iv. subject always to such terms and conditions and/ or any adjustments which may be made in accordance with the provisions of the By-Laws, the Listing Requirements, or any prevailing guidelines issued by Bursa Securities or any other relevant authority, as amended from time to time;

THAT pursuant to Section 85 of the Act read together with Clause 54 of the Company's Constitution, the shareholders of the Company do hereby waive their pre-emptive rights to be offered new AWC Shares ranking equally to the existing issued AWC Shares arising from any issuance of new AWC Shares to the above Directors of AWC Group pursuant to the Proposed ESOS;

AND THAT subject always to such terms and conditions and/ or adjustments which may be made in accordance with the By-Laws, the Board be and is hereby authorised to take such steps as necessary or expedient to implement, finalise or to give full effect to the Proposed Allocation with full power to assent to any terms, conditions, modifications, variations and/ or amendments as may be imposed and/ or permitted by the relevant authorities."

ORDINARY RESOLUTION 9

PROPOSED BONUS ISSUE OF UP TO 84,839,895 FREE WARRANTS IN AWC BERHAD ON THE BASIS OF 1 WARRANT FOR EVERY 4 EXISTING ORDINARY SHARES IN AWC BERHAD HELD BY THE ENTITLED SHAREHOLDERS ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER ("PROPOSED BONUS ISSUE OF WARRANTS")

"THAT subject to the approvals of all relevant authorities and/or parties (where applicable) being obtained for the Proposed Bonus Issue of Warrants, authority be and is hereby given to the Board of Directors of AWC ("**Board**") to issue and allot up to **84,839,895** Warrants to the entitled shareholders whose names appear in the record of securities holders established and maintained by Bursa Malaysia Depository Sdn Bhd ("**Record of Depositors**") of the Company as at the close of business on the entitlement date to be determined and announced later, on the basis of 1 Warrant for every 4 existing AWC Shares held;

THAT the Board be and is hereby authorised to fix the exercise price of the Warrants at a later date and that the Board be and is hereby authorised to enter into and execute a deed poll constituting the Warrants ("**Deed Poll**") with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company, and with full powers for the Board to implement, finalise and give full effect to the Deed Poll;

THAT the Board be and is hereby authorised to issue and allot such appropriate number of Warrants in accordance with the provisions of the Deed Poll and where required, to adjust the exercise price and/ or the number of Warrants to be issued (including, without limitation, any additional Warrants as may be required or permitted to be issued) in consequence of the adjustments pursuant to the provisions of the Deed Poll;

THAT the Board be and is hereby authorised to issue and allot such appropriate number of new AWC Shares pursuant to the exercise of the Warrants by the holders of the Warrants in accordance with the provisions of the Deed Poll;

THAT the Board be and is hereby authorised to disregard and deal with any fractional entitlements from the Proposed Bonus Issue of Warrants, if any, in such a manner at its absolute discretion as the Board may deem fit and expedient and in the best interest of the Company;

THAT the new AWC Shares to be issued pursuant to the exercise of the Warrants will, upon allotment and issuance, rank equally in all respects with the existing AWC Shares, save and except that the new AWC Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the new AWC Shares;

THAT the Board be and is hereby authorised to use the proceeds to be raised from the exercise of the Warrants for such purposes and in such manner as set out in **Section 5.2** of the circular to shareholders of the Company dated 28 November 2025 ("**Circular**"), and the Board be authorised with full powers to vary the manner and/ or purpose of the use of such proceeds in such manner as the Board may deem fit, necessary and/ or expedient or in the best interest of the Company, subject to the approval of the relevant authorities (where required);

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all acts, deeds and things as may be required to give effect to and to complete the Proposed Bonus Issue of Warrants with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things for and on behalf of the Company in any manner as they may deem fit or necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue of Warrants."

ORDINARY RESOLUTION 10

PROPOSED AUTHORITY FOR AWC TO PURCHASE UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF AWC

"THAT subject to the Act, the provisions of the Constitution, the Listing Requirements and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company, to the extent permitted by law, to purchase such number of ordinary shares in the Company ("**Company Shares**") as may be determined by the Board from time to time through Bursa Securities upon such terms and conditions as the Board may deem fit, necessary and expedient in the best interest of the Company, provided that:

- i. the maximum aggregate number of Company Shares which may be purchased and/or held by the Company as treasury shares shall not exceed 10% of the total number of issued shares of the Company at any point in time of the said purchase(s); and

- ii. the maximum funds to be allocated by the Company for the purpose of purchasing Company Shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements of the Company (where applicable) available at the time of the purchase(s).

THAT the authority conferred by this resolution will commence immediately upon passing of this Ordinary Resolution 8 and shall continue to be in force until:

- i. the conclusion of the next AGM following the general meeting at which this resolution is passed, at which time it will lapse unless by an ordinary resolution passed at that AGM and subsequent AGMs, the authority is renewed, either unconditionally or subject to conditions; or
- ii. the expiration of the period within which the next AGM after that date is required by law to be held; or
- iii. the authority is revoked or varied by an ordinary resolution passed by the shareholders at a general meeting,

whichever occurs first.

THAT upon completion of the purchase of Company Shares by the Company, the Board be authorised to deal with the Company Shares purchased in their absolute discretion in the following manner:

- i. cancel the Company Shares so purchased; or
- ii. retain all or part of the Company Shares so purchased as treasury shares for distribution as shares dividends to shareholders and/or resell on the market of Bursa Securities in accordance with the relevant rules of Bursa Securities and/or transferred as purchase consideration and/or cancelled subsequently; or
- iii. retain part of the Company Shares so purchased as treasury shares and cancel the remainder of the Company Shares; or
- iv. deal with the Company Shares so purchased in any other manner as may be permitted by the applicable laws and/or regulations in force from time to time, and such authority to deal with the Company Shares so purchased shall continue to be valid until all such Company Shares have been dealt with by the Board.

AND THAT the Board be and is hereby authorised to take all such steps as are necessary and enter into any instrument, agreements or arrangements with any party or parties to implement, finalise and give full effect to the aforementioned purchase of Company Shares by the Company with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Board may in their discretion, deem necessary and to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.”

By Order of the Board

TEA SOR HUA (MACS 01324) (SSM PC NO.: 201908001272)
LIM KEE SAN (MAICSA 7067348) (SSM PC NO.: 202308000295)
Company Secretaries

Petaling Jaya, Selangor Darul Ehsan
28 November 2025

Notes:

- i. A member who is entitled to attend and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote at the Meeting. Where a member appoints more than one (1) proxy, the member shall specify the proportion of his shareholdings to be represented by each proxy.
- ii. A proxy may, but need not, be a member of the Company. A member may appoint any person to be his proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak and vote at the Meeting.
- iii. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.
- iv. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- v. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
- vi. To be valid, the instrument appointing a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time for holding the Meeting or adjourned meeting: -
 - (a) In hard copy form
In the case of an appointment made in hard copy form, the proxy form must be deposited at the Share Registrar of the Company situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur or alternatively deposit in the drop-in box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur.
 - (b) By electronic form
The proxy form can be electronically lodged via Vistra Share Registry and IPO (MY) portal ("**The Portal**") at <https://srmy.vistra.com..> Please refer to the Administrative Notes on the procedure for electronic lodgement of proxy form via The Portal.
- vii. For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 63(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 10 December 2025. Only members whose name appears in the General Meeting Record of Depositors as at 10 December 2025 shall be entitled to attend the Meeting and to speak and vote thereat.
- viii. All the resolutions set out in this Notice of the Meeting will be put to vote by poll.
- ix. Kindly check Bursa Securities' website and the Company's website at www.awc.com.my for the latest updates on the status of the Meeting.



AWC BERHAD
200101014341 (550098-A)
(Incorporated in Malaysia)

PROXY FORM

No. of shares held	
CDS Account No.	

I/We * _____ NRIC/Passport/Registration No.* _____
(full name in capital letters)
of _____
(full address)
with email address _____ mobile phone no. _____

being a member/members* of **AWC BERHAD** ("the Company") hereby appoint(s):-

Full Name (in capital letters)	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Full Address (in capital letters)			
Contact No.:			
Email Address:			

and*

Full Name (in capital letters)	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Full Address (in capital letters)			
Contact No.:			
Email Address:			

or failing him/her, the Chairman of the Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the Extraordinary General Meeting ("EGM" or "Meeting") of the Company to be held at Ballroom III, Main Wing, Tropicana Golf and Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor on Wednesday, 17 December 2025 at 10:00 a.m., or at any adjournment thereof.

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the Proxy will vote or abstain from voting at his/her discretion.

No.	Ordinary Resolutions	For	Against
1.	Proposed ESOS		
2.	Proposed Allocation of ESOS Options to Dato' Nik Mod Amin Bin Nik Abd Majid		
3.	Proposed Allocation of ESOS Options to Sureson A/L Krisnasamy		
4.	Proposed Allocation of ESOS Options to Yang Mulia Tunku Puan Sri Dato' Hajjah Noor Hayati Binti Tunku Abdul Rahman Putra Al-Haj		
5.	Proposed Allocation of ESOS Options to Datuk Hashim Bin Wahir		
6.	Proposed Allocation of ESOS Options to Dato' Ahmad Kabeer Bin Mohamed Nagoor		
7.	Proposed Allocation of ESOS Options to Ahmad Nazim Bin Ahmad Kabeer		



8.	Proposed Allocation of ESOS Options to Ahmad Syahin Bin Ahmad Kabeer		
9.	Proposed Bonus Issue of Warrants		
10.	Proposed Share Buy-Back		

** Delete whichever is not applicable*

Dated this _____ day of _____ 2025

Signature/ Common Seal of Member(s)

Notes:

- i. *A member who is entitled to attend and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote at the Meeting. Where a member appoints more than one (1) proxy, the member shall specify the proportion of his shareholdings to be represented by each proxy.*
- ii. *A proxy may, but need not, be a member of the Company. A member may appoint any person to be his proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak and vote at the Meeting.*
- iii. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.*
- iv. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
- v. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.*
- vi. *To be valid, the instrument appointing a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time for holding the Meeting or adjourned meeting: -*
 - (a) *In hard copy form*
In the case of an appointment made in hard copy form, the proxy form must be deposited at the Share Registrar of the Company situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur or alternatively deposit in the drop-in box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur.
 - (b) *By electronic form*
The proxy form can be electronically lodged via Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmy.vistra.com..> Please refer to the Administrative Notes on the procedure for electronic lodgement of proxy form via The Portal.
- vii. *For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 63(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 10 December 2025. Only members whose name appears in the General Meeting Record of Depositors as at 10 December 2025 shall be entitled to attend the Meeting and to speak and vote thereat.*
- viii. *All the resolutions set out in this Notice of the Meeting will be put to vote by poll.*
- ix. *Kindly check Bursa Securities' website and the Company's website at www.awc.com.my for the latest updates on the status of the Meeting.*

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Share Registrar of
AWC BERHAD
200101014341 (550098-A)
Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A, Vertical
Business Suite, Avenue 3,
Bangsar South, No.8 Jalan Kerinchi,
59200 Kuala Lumpur

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