

OTHERS Top Glove Corporation Bhd ("Top Glove" or "the Company") Discontinuation of Trust Established for the Employees Share Grant Plan

TOP GLOVE CORPORATION BHD

Type	Announcement
Subject	OTHERS
Description	Top Glove Corporation Bhd ("Top Glove" or "the Company") Discontinuation of Trust Established for the Employees Share Grant Plan

The Board of Directors of the Company wishes to announce that the Board has decided to discontinue the trust established for the implementation of the Company's Employees' Share Grant Plan ("ESGP") ("Discontinuation of Trust"). The Trustee's service is no longer required in view that the Directors are allowed to transfer those treasury shares purchased by the Company for the purpose of Employees' Share Scheme in accordance with the Companies Act 2016.

Kindly refer to the attached document for the details of the Discontinuation of Trust.

This announcement is dated 26 August 2019.

Please refer attachment below.

Attachments

Discontinuation of Trust.pdf
15.7 kB

Announcement Info

Company Name	TOP GLOVE CORPORATION BHD
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TOP GLOVE CORPORATION BHD (“TOP GLOVE” OR THE “COMPANY”)

DISCONTINUATION OF TRUST ESTABLISHED FOR THE EMPLOYEES’ SHARE GRANT PLAN

1. Introduction

On 12 January 2016, the Company had implemented an Employees’ Share Grant Plan for the eligible employees of Top Glove and its subsidiaries (“ESGP”). A trust had been established by the ESGP Committee and the Trust is administered by the Trustee for the implementation of the ESGP.

The Board of Directors of the Company (“Board”) wishes to announce that the Board has decided to discontinue the trust since the Board is allowed to transfer its treasury shares for the purpose of Employees’ Share Scheme pursuant to Section 127(7)(c) of the Companies Act 2016 and hence the trust established for the purpose of subscribing for new shares and/or acquiring existing shares from the market for the ESGP is no longer required (“Discontinuation of Trust”).

2. Details of the Discontinuation of Trust

Arising from the Discontinuation of Trust, the following amendments will be made to the By-Laws of the ESGP:

Existing Clause	Amendments to the Existing Clause
2. DEFINITIONS “Trust” The trust established to facilitate the implementation of the Plan. “Trust Deeds” The trust deeds constituting the Trust. “Trustee” The trustee for the time being appointed to be the trustee for the Plan pursuant to By-Law 30.	Delete in its entirety
9.3 Rights to Share Notwithstanding any provisions in this By-Laws, the Participants shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to shareholders of the Company, for which the Record Date is prior to the date on which the Shares are credited into the CDS Accounts of the respective Participants under the Plan. The Committee may however, in its discretion, award to the Participants any dividends, rights, allotments and/or any other distributions which may be declared, made or paid on the existing Shares <u>and held by the Trustee as Trust assets.</u> <u>For the avoidance of doubt, any dividends, rights, allotments and/or other distributions attached to the existing Shares held on Trust by the Trustee shall form part of the Trust assets.</u>	9.3 Rights to Share Notwithstanding any provisions in this By-Laws, the Participants shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to shareholders of the Company, for which the Record Date is prior to the date on which the Shares are credited into the CDS Accounts of the respective Participants under the Plan. The Committee may however, in its discretion, award to the Participants any dividends, rights, allotments and/or any other distributions which may be declared, made or paid on the existing Shares.

Existing Clause	Amendments to the Existing Clause
<p>10.5 An Award, to the extent not yet accepted or Unvested Shares, shall forthwith lapse and/or be deemed to be cancelled and/or cease to be capable of acceptance or vesting, as the case may be, without any claim against the Company, Committee <u>and/or</u> Trustee upon the termination of the Plan pursuant to By-Law 15.3.</p>	<p>10.5 An Award, to the extent not yet accepted or Unvested Shares, shall forthwith lapse and/or be deemed to be cancelled and/or cease to be capable of acceptance or vesting, as the case may be, without any claim against the Company and Committee upon the termination of the Plan pursuant to By-Law 15.3.</p>
<p>25. DISCLAIMER OF LIABILITY</p> <p>Notwithstanding any provisions herein contained and subject to the Act, the Committee, <u>the Trustee</u>, the Company and the Company's directors and employees shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to, the Company's delay in issuing, or procuring the transfer of or disposal, the Shares or applying for or procuring the listing of and quotation for the new Shares on Bursa Securities in accordance with By-Law 9.3.</p>	<p>2.4 DISCLAIMER OF LIABILITY</p> <p>Notwithstanding any provisions herein contained and subject to the Act, the Committee, the Company and the Company's directors and employees shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to, the Company's delay in issuing, or procuring the transfer of or disposal, the Shares or applying for or procuring the listing of and quotation for the new Shares on Bursa Securities in accordance with By-Law 9.3.</p>
<p>30. IMPLEMENTATION OF THE PLAN AND TRUST</p> <p>30.1 In implementing the plan, the Board and/or the Committee will establish a Trust to be administered by the Trustee consisting of such trustee appointed by the Company from time to time for purposes of subscribing for new Shares and/or acquiring existing Shares from the market for the Plan, in accordance with the Trust Deeds. To enable the Trustee to subscribe for new Shares and/or acquire existing Shares from the market for purposes of implementing the Plan and to pay expenses in relation to the administration of the Trusts, the Trustee will, to the extent permitted by law, receive funds from the Company, its Subsidiaries and/or third parties in such bank account(s) to be established by the Trustee for the purpose of the Trusts.</p> <p>30.2 The Trustee shall exercise the voting rights attached to such Shares in such manner and extent as may be directed by the Committee in writing.</p>	<p>Delete in its entirety</p>

Existing Clause	Amendments to the Existing Clause
<p>30.3 The Trustee shall administer the Trust in accordance with the Trust Deeds. For purposes of administering the Trust, the Trustee shall do all such acts and things and enter into any transactions, agreements, deeds, documents or arrangements and make rules, regulations or impose terms and conditions or delegate part of its power relating to the administration of the Trust as the Committee may in its discretion direct for the implementation and administration of the Trust.</p> <p>30.4 The Company shall have power from time to time to appoint or rescind the appointment of any Trustee as it deems fit in accordance with the provisions of the Trust Deed.</p>	Delete in its entirety

3. Rationale for the Discontinuation of Trust

In accordance with Section 127(7) of the Companies Act 2016, the shares that are purchased by the Company shall be held in treasury and the Directors are allowed to transfer the shares or any of the shares for the purpose of Employees' Share Scheme. In view thereof, the Trust to administer the ESGP by the Trustee is no longer required.

4. Effects of the Discontinuation of Trust

The Discontinuation of Trust will not have any effect on the consolidated net assets, gearing, earnings and earnings per share of the Company.

5. Approval required

The Discontinuation of Trust does not require approval from the shareholders of the Company.

6. Interests of directors, major shareholders and/or persons connected with them

None of the directors and/or major shareholders of the Company and/or persons connected with them have any interest, direct or indirect, in the Discontinuation of Trust.

7. Directors' statement

The Board, having considered the rationale for the Discontinuation of Trust, is of the view that the Discontinuation of Trust is in the best interest of the Company.

The interest of the shareholders as well as the participants of ESGP are not affected and not jeopardised resulting from the Discontinuation of Trust.

This announcement is dated 26 August 2019.