

**SEDANIA INNOVATOR BERHAD**

(Company No. 1074350-A)

(Incorporated in Malaysia)

**TERMS OF REFERENCE OF THE  
EMPLOYEES' SHARE OPTION SCHEME COMMITTEE**

*The expressions used in these Terms of Reference, except where the context otherwise requires, shall have the same meaning in the By-Laws of the Employees' Share Option Scheme ("**ESOS**") or ("**the Scheme**").*

**Background**

The Scheme is known as "Sedania Innovator Berhad Employees' Share Option Scheme". As provided in By-Laws 19.1, the Scheme comes into force on 16 November 2015 for a duration of ten (10) years, i.e. expires on 16 November 2025.

**1. Objective**

As per By-Laws 20.1, the ESOS Committee is formed to assist the Board of Directors ("**the Board**") in administering the ESOS in accordance with the terms set out in the By-Laws of the ESOS of the Company. The ESOS Committee shall comprise such number of the Directors and/or senior management personnel of the Sedania Group identified and appointed from time to time by the Board.

**2. Membership and Term of Office**

- (a) The ESOS Committee shall be appointed by the Board and shall be composed of not fewer than three (3) in number. At least one (1) member must be an Independent Director and at least one (1) member should be senior management personnel identified by the Board.
- (b) The members of the ESOS Committee shall elect a Chairman (who must be an Independent Director) from among their number.
- (c) The Board shall have power at any time and from time to time to appoint, approve, rescind and/or revoke the appointment of any member of the ESOS Committee as it shall deem fit.
- (d) In the event of any vacancy in the ESOS Committee resulting in the number of members being reduced to below three (3), the Board shall, within three (3) months fill the vacancy.
- (e) The Board may from time to time and in its absolute discretion, revise the composition of the ESOS Committee and the roles and responsibilities of the ESOS Committee.

**3. Secretary**

The Secretary to the ESOS Committee shall be the Group Company Secretary.

**4. Meetings**

- (a) The quorum for a meeting shall be three (3) members of which the majority present must be Independent Directors.

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- (b) The ESOS Committee shall meet at least once in a financial year or as frequent as the Chairman shall decide and it shall be able to convene meetings whenever deemed necessary to fulfill its responsibilities.
- (c) The Chairman or a majority of members of the ESOS Committee may call meetings upon reasonable notice to all members of the ESOS Committee.
- (d) The notice and agenda for each ESOS Committee meeting, with due notice of the issues to be discussed, shall be sent to all members of the ESOS Committee and to any other persons who may be required to attend.
- (e) The ESOS Committee may invite any persons to be in attendance to assist its deliberations and/or to make presentations or reports or provide independent advice to the ESOS Committee on any matters within its scope of responsibilities.
- (f) A resolution put to vote shall be decided by a majority of votes of the members present and each member shall have one (1) vote. In the event of an equality of votes, the Chairman of the meeting shall be entitled to a second or casting vote.
- (g) No members of the ESOS Committee shall participate in the discussion or deliberation of his own allocation and any matter which gives rise to an actual or perceived conflict of interest situation to him.
- (h) ESOS Committee members may participate in a meeting by means of teleconferencing or similar communication equipment, through which all persons participating in the meeting can hear and speak with each other. A participant on a conference call shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.
- (i) Minutes of the proceedings at an ESOS Committee meeting by instantaneous communication device will be sufficient evidence of such proceedings and of the observance of all necessary formalities if signed as correct minutes by the Chairman of the meeting and shall be as valid and effectual as if the resolutions had been passed at a meeting of the ESOS Committee duly convened, at which all participants were present in the same location.
- (j) Minutes of each meeting shall be minuted by the Company Secretary and the approved Minutes shall be properly kept in the Minutes Book and produced for inspection if required. A copy of the approved Minutes shall also be distributed to each member of the ESOS Committee and tabled for notation at the Board meeting.

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**5. Circular Resolutions**

- (a) A resolution in writing signed by all members of the ESOS Committee for the time being shall be as valid and effectual as if it had been passed at a meeting of the ESOS Committee duly called and constituted. Any such resolution may consist of several documents in like form, each signed by one (1) or more of the ESOS Committee members. Any such documents may be accepted as sufficiently signed by a Committee member if transmitted to the Company by telex, telegram, cable, facsimile or other electrical or digital written message to include a signature of an ESOS Committee member.
- (b) All such resolutions shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by him or her in the Company's Minutes Book or any other relevant document.

**6. Powers and Authority / Roles and Responsibilities**

- (a) The ESOS Committee shall, subject to the By-Laws of the ESOS, administer the Scheme in such manner as it shall think fit and with such powers and duties as are conferred upon it by the Board. The ESOS Committee may, for the purpose of administering the Scheme, do all acts and things, rectify any errors in any Offer, execute all documents and delegate any of its powers and duties relating to the Scheme as it may at its discretion consider to be necessary or desirable for giving effect to the Scheme, and shall also have the power to make such regulations (and to vary the same) from time to time, not being inconsistent with the Scheme, for the implementation and administration of the Scheme as it thinks fit after taking into consideration the provisions of the Listing Requirements or other applicable regulatory requirements prevailing during the Option Period relating to employees' and/or directors' share issuance schemes.
- (b) The ESOS Committee shall also have the authority to conduct enquiries and obtain independent legal or other professional advice if it considers necessary in the event of any dispute with any Eligible Persons with regard to any decision made by the ESOS Committee pertaining to ESOS.
- (c) The ESOS Committee shall present to the Audit and Risk Management Committee, the allocation of new shares pursuant to the ESOS, for the verification by the Audit and Risk Management Committee at the end of each financial year.

**7. Reporting**

The Chairman of the ESOS Committee shall report the proceedings of each Committee Meeting to the Board and provide the recommendations of the ESOS Committee that require the Board's approval.

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**8. Review of Terms of Reference**

The Terms of Reference of the ESOS Committee are effective as of the date they are adopted by the Board and they will remain in effect until modified, superseded or cancelled by appropriate actions by the Board. These Terms of Reference may be amended at any time by the Board in accordance with the changes in the Companies Act and other applicable rules and regulations governing the Scheme to remain consistent with the Board's objectives and responsibilities.

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