



**TERMS OF
REFERENCE
SHARE ISSUANCE
SCHEME
COMMITTEE**

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1. OBJECTIVES

The primary objective of the Share Issuance Scheme (“SIS”) Committee (“the Committee”) is to assist the Board of Directors (“Board”) in their responsibilities to implement and administer the SIS Scheme (“the Scheme”) and for this purpose, to enter into any transactions, agreements, deeds, documents or arrangements, and make rules, regulations or impose terms and conditions relating to the SIS subject to the provision of the SIS By-Laws.

2. COMPOSITION

The Committee must comprise at least three (3) members, comprising of Directors of the Company. The Chairman of the Committee must be an Independent Director elected from amongst themselves and approved by the Board.

Any vacancy, resulting in the number of members reduced to below three (3), shall be filled within three (3) months.

All members of the Committee shall hold office only for so long as they serve as Directors of the Company.

The Board shall have the discretion as it deems fit to rescind and/or revoke the appointment of any member(s) in the Committee and appoint new members to the Committee.

No alternate director shall be appointed as a SIS Committee member.

3. AUTHORITY

The Committee is authorised by the Board to act within its terms of reference, to obtain resources which it requires including but not limited to obtaining independent professional advice from expert advisers, both internal and external, and to have full, unrestricted access to information and resources to enable the Committee to fulfil its objectives.

The Committee is authorised to call for any appropriate person or person to be in attendance to make presentations or furnish or provide independent professional advice on any matters within the scope of responsibilities.

The Committee may administer the Scheme, do all acts and things, execute all documents and delegate any of its powers and duties relating to the Scheme as it may, in its discretion consider being necessary or desirable for giving effect to the Scheme.



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4. MEETING

The SIS Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings, as and when the need arises. The quorum for a Committee meeting shall be at least two (2) members.

In the absence of the Chairman in a meeting, the members can elect from amongst themselves the Chairman for the meeting.

Each member of the Committee is entitled to one (1) vote in deciding the matters deliberated in the meeting. The decision that gained the majority votes shall be the decision of the Committee. In the event of an equality of votes, the Chairman of the SIS Committee shall be entitled to a second or casting vote.

A member of the SIS Committee may participate in a meeting using a telephone conference or video conference or any other means of audio-visual communications and the person shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.

The Chairman of the SIS Committee or appointed person by the Chairman of the Committee shall report to the Board on any matter that should be brought to the Board's attention, and provide the recommendations of the SIS Committee that require the Board's approval. Detailed minutes of the Committee's meeting will be made available to all Board members. A summary of significant matters and resolutions will be reported by the Committee at Board meetings.

A resolution in writing signed or approved via letter, telex, email or facsimile by majority Committee members, shall be effective for all purposes of a resolution passed at a meeting of the Committee duly convened, held and constituted. Any such resolution may be contained in a single document or may consist of several documents all in the like form signed by one or more members. The expressions "in writing" or "signed" include approval by legible confirmed transmission by facsimile, telex, cable, telegram or other forms of electronic communications.

The Board or Committee shall appoint any Company's officer to be the Secretary to the Committee and he/she shall be entrusted to record all minutes of the Committee meetings and circulating them to committee members and other members of the Board of Directors. The books containing the Minutes of proceedings of the Committee shall be kept by the Company at the Registered Office of the Company subject to the provisions of the Companies Act 2016, relating to the keeping of Minutes of the Board of Directors and any Committee of the Board of Directors. The Minutes book shall be opened for the inspection of the member of the Committee, Board, external auditor, internal auditor, management and other persons deemed appropriate by the Committee and/or Company Secretary.



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5. FUNCTIONS AND DUTIES

In fulfilling its primary objectives, the Committee shall undertake, amongst others, the following functions and duties: -

- 5.1 To implement and administer the Scheme in such manner as it shall in its discretion deem fit under the SIS ByLaws, including to deal with the issue and allotment of new shares in the Company arising from the exercise of SIS options by grantees.
- 5.2 To determine based on the allotment and to decide on the number of SIS options to be offered to eligible persons and to make offers to eligible persons under the SIS ByLaws, including, inter alia, the determination of eligibility criteria (including variation), grant level, terms of acceptance of offer, terms of the exercise of the options, performance conditions and any other terms and other conditions imposed, at the discretion of the SIS Committee, whose decision shall be final and binding, provided always that no member of the SIS Committee shall participate in any deliberation, vote or decision in respect of the offer proposed to be granted to himself.
- 5.3 To determine and recommend the subscription price of the SIS options to the Board, subject to the provisions of the SIS ByLaws and applicable laws and regulations.
- 5.4 To administer the offer of SIS options to eligible directors and employees and the acceptance thereof and the exercise of the SIS options, subject to the provisions of the SIS ByLaws.
- 5.5 To determine the limits on the exercise of SIS options, including the number of shares exercisable and the prescribed vesting period and to impose any other terms and/or conditions it deems fit, subject to the provisions of the SIS ByLaws
- 5.6 To recommend to the Board where it deems necessary, any amendment, modification, addition, or deletion of the SIS ByLaws.
- 5.7 To enter into any transactions, agreements, deeds, documents or arrangements, and make rules, regulations or impose terms and conditions or delegate its power relating to the Scheme, subject to the provisions of the SIS ByLaws.
- 5.8 To take all other actions within the purview of the Committee under the SIS ByLaws, for the necessary and effective implementation and administration of the Scheme in accordance and compliance with the SIS ByLaws.
- 5.9 To carry out any duties deemed incidental or ancillary in relation thereto.



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- 5.10 To administer the exercise and/or termination of an Option in the event the employee ceases to be in the employment of the Company because of:-
- resignation;
 - retirement;
 - ill health, injury, physical or mental disability;
 - liquidation of the Company;
 - death; or
 - any other circumstances which are acceptable to the Committee.
- 5.11 To exercise the rights of the Committee in suspending and/or reinstating the SIS options in the event the employee is subject to disciplinary proceedings, and to impose such terms and conditions as the Committee shall deem appropriate having regard to the nature of the charges made or brought against the employee.
- 5.12 To approve any adjustment or alteration to :
- The exercise price/subscription price; and/or
 - The number of shares unexercised; and/or
 - The method of exercise of the Option arising from any change in the capital structure, as a result of restructuring, divestment from Takeover, Scheme of Arrangement, Amalgamation and/or Reconstruction of the Company.
- 5.13 To assist the Board in verifying a summary of the total of shares listed at the end of each quarter together with the detailed computation of listing fees payable to Bursa Securities quarterly.

Any adjustments must be confirmed in writing by external auditors or the adviser (acting as experts and not as arbitrators) of the Company to be in their opinion, fair and reasonable.

The above functions and duties are in addition to such other functions as may be agreed to from time to time by the Committee and the Board.

The SIS Committee may upon approval of the Board terminate the Scheme without obtaining the consents from the grantees or approvals from the shareholders of the Company provided that the Company makes an announcement which shall include the effective date of termination, number of SIS Options exercised or shares vested and reasons for termination immediately to Bursa Securities.

6. REVIEW OF THE TERMS OF REFERENCE

These terms of reference shall be assessed, reviewed and updated annually or as and when there are changes to the SIS ByLaws or relevant laws and regulations that may have an impact on the Committees' responsibilities to ensure the Committee remains consistent with the Company's objectives and Board's responsibilities and in line with the relevant laws and legislations.

Any revision or amendment to the terms of reference, as proposed by the Committee shall be presented to the Board for its approval.