



**(Registration No. 200801008472 (809759-X))
(Incorporated in Malaysia)**

Appendix I

TERMS OF REFERENCE OF EMPLOYEES' SHARE OPTION SCHEME COMMITTEE

1. OBJECTIVE

The primary objective of the Employees' Share Option Scheme ("ESOS") Committee is to assist the Board of Directors ("Board") of the Company in implementation and administering of the ESOS in accordance with the provisions of the ESOS By-Laws.

2. COMPOSITION

The Board shall elect the ESOS Committee members from amongst themselves, comprising not less than three (3) members, which may include a combination of Executive Director, Independent Non-Executive Director and/or senior management.

The Chairman of the ESOS Committee shall be elected from amongst the ESOS Committee members. In the absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present.

3. SECRETARY

The Company Secretary of the Company shall be the secretary of the ESOS Committee.

4. QUORUM AND VOTING

The quorum for all meetings of the ESOS Committee shall not be less than two (2) members, and is considered to be competent for the exercise of its authorities, powers and discretions vested upon it.

All resolutions of the ESOS Committee shall be adopted by a simple majority vote, each member having one vote. In case of equality of votes, the Chairman of the meeting shall have a second or casting vote.

5. MEETINGS

The ESOS Committee may meet together for the despatch of business, adjourn and otherwise regulate the meetings, as and when required during the duration of the ESOS. The Chairman may call for additional meetings at any time at the Chairman's discretion.

5. MEETINGS – *Cont'd*

A resolution in writing, signed by ALL the members of the ESOS Committee, shall be as effectual as if it has been passed at a meeting of the ESOS Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more ESOS Committee members.

The Company Secretary shall on the requisition of the members of the ESOS Committee summon a meeting of the ESOS Committee and, except in the case of an emergency, reasonable notice of every ESOS Committee meeting shall be given in writing.

6. AUTHORITY

The ESOS Committee in accordance with the procedures or processes to be determined by the Board shall have access to resources and information as deemed appropriate for the discharge of its responsibilities to the Company, including obtaining independent professional advice at the expense of the Company and periodic review of its terms of reference.

Any liberty or power which may be exercised or any determination which may be made 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.

7. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the ESOS Committee are as follows:-

- 7.1 The ESOS Committee shall be vested with such powers and duties as are conferred upon it by the Board to administer the ESOS in such a manner as it deems fit.
- 7.2 The ESOS Committee may for the purpose of administering the ESOS do all acts and things and/or caused the Company to enter into any transaction, agreement, deed, document or arrangement, make rules, regulations or impose terms and conditions or delegate part of its powers relating to the ESOS, which the ESOS Committee may in its discretion consider to be necessary or desirable to give full effect to the ESOS and generally exercise such powers and perform such acts as are deemed necessary or expedient to promote the best interest of the Company.
- 7.3 The ESOS Committee in the exercise of this power may correct any defect, supply any omission, or reconcile any inconsistency in the ESOS or in any agreement providing for an ESOS Option in a manner and to the extent it shall deem necessary to expedite and make the ESOS fully effective.

Datasonic Group Berhad (Registration No. 200801008472 (809759-X))
Terms of Reference of Employees' Share Option Scheme Committee

- 7.4 In determining the eligibility and allocation of eligible persons to participate in the ESOS, the ESOS Committee will take into account amongst others, the performance targets, appraisals and past and future contributions of the eligible persons to the Datasonic Group (excluding dormant subsidiaries) and such other factors that the ESOS Committee deems relevant from time to time. For avoidance of doubt, the selection of eligible persons for participation in the ESOS shall be at the sole and absolute discretion of the ESOS Committee. The decision of the ESOS Committee shall be final and binding.
- 7.5 The Company and/or the ESOS Committee shall ensure that the allocation of the new Datasonic Shares pursuant to the ESOS shall be verified by the audit committee at the end of each financial year.