



**SUCCESS TRANSFORMER CORPORATION BERHAD**

(200301034518) (636939-W)  
(Incorporated in Malaysia)

**TERMS OF REFERENCE OF THE  
EMPLOYEES' SHARE OPTION SCHEME ("ESOS") COMMITTEE**

**1. Objective**

The ESOS Committee is formed for the purpose of administering the ESOS in accordance with the ESOS Bylaws.

**2. Composition**

The ESOS Committee shall comprise of Non-Executive and Executive Directors of the Company appointed from time to time by the Board to implement and administer the ESOS in accordance with the ESOS Bylaws.

**3. Chairman**

The Chairman of the ESOS Option Committee shall be appointed by the Board from among its members.

**4. Quorum**

The quorum for the meeting shall be two (2) members.

**5. Secretaries**

The Secretaries of the ESOS Committee shall be the Company Secretaries of the Company.

**6. Meetings**

Meetings of the ESOS Committee may be called at any time by the ESOS Committee.

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

The quorum for the meeting shall be two (2).

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

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

No ESOS Committee member 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.

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(Terms of Reference of ESOS Committee - cont'd)

**7. Circular Resolutions**

A resolution in writing signed or approved by letter, telegram, telex or telefax by all the ESOS Committee members and who are sufficient to form a quorum, shall be as valid and effectual as if it had been passed at a meeting of the ESOS Committee duly called and constituted. All such resolutions shall be described as "ESOS Committee Members' Resolution in Writing" and shall be forwarded or otherwise delivered to the Secretaries without delay, and shall be recorded by him in the Company's Minutes Book. Any such resolution may consist of several documents in like form, each signed by one (1) or more ESOS Committee members.

**8. Powers and authority**

- a) The ESOS Committee shall be vested with such powers and duties as are conferred upon it by the Board.
- b) The ESOS Committee may for the purpose of administering the ESOS, to 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 in accordance with the ESOS Bylaws.
- c) The ESOS Committee shall have unlimited access to all human resource records of the Company and its group of subsidiaries.
- d) 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 at the expense of the Company.
- e) The ESOS Committee shall present to the Audit Committee, the allocation of new shares pursuant to the SIS, for the verification by the Audit Committee at the end of each financial year.

**9. Reporting**

The ESOS Committee shall report directly to the Board of Directors.