

TERMS OF REFERENCE

OF

OPTION COMMITTEE

(REVISION: MAY 2024)

POWER ROOT BERHAD

[Company Registration No.: 200601013517 (733268-U)]

**Duly approved by the Board of Directors of Power Root Berhad via Board of
Directors' Circular Resolution dated 8 May 2024**

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

1. OBJECTIVE

The primary objective of the Option Committee ("OC") is to assist the Board of Directors ("Board") in their responsibilities to implement and administer the ESOS schemes.

2. COMPOSITION

The members of the OC shall comprise of Directors and/or key management as appointed by the Board of Directors. The composition of the OC shall consist of a minimum of not be less than three (3) members. Where the Members for any reason are reduced to less than three (3), that Board shall within six (6) months of the event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

The Board, may from time to time and in its absolute discretion, revise the composition of the OC and the roles and responsibilities of the OC.

The Members shall elect a Chairman of the Committee from amongst themselves.

3. REPORTING

The chairman of the OC shall report the proceedings of each OC Meeting to the Board.

4. SECRETARY

The Company's Company Secretary(s) shall be the Secretary(s) for the OC. In the event any of the Company Secretary(s) is unable to attend, an assistant or deputy Secretary(s) may be appointed for that specific meeting.

5. CIRCULAR RESOLUTIONS

A resolution in writing signed or approved by the majority of the members who are sufficient to form a quorum, shall be valid and effectual as if it had been passed at a meeting. All such resolutions shall be described as "Members' Circular Resolutions" and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in like form, each signed by one or more directors.

6. QUORUM OF MEETINGS

In order to form a quorum, a minimum two (2) members must be present.

A meeting may be convened using conference telephone, conference videophone or any similar or other communications by electronic means as permits all persons participating in the meeting or communicate with each other simultaneously and instantaneously. A person so participating shall be regarded for all purposes as personally attending such a meeting and shall be counted in a quorum and be entitled to vote.

7. FUNCTIONS OF THE OC

Without prejudice to the generality of the foregoing, the OC shall:-

- a. Be vested with such powers and duties as are conferred upon it by the Board to administer the ESOS in such manner as it deems fit. The OC may, for the purposes of administering this ESOS, enter into any transactions, agreements, deeds, documents of arrangements, and make rules, regulations or impose terms and conditions or delegate part of its power relating to the ESOS which the OC may in its discretion consider to be necessary;
- b. Select any Eligible Employees or Eligible Persons to participate in the Scheme whose decision shall be binding and final;
- c. Determine the basis of allotment and the number of shares to be offered and allotted to the Eligible Employees or Eligible Persons;
- d. Determine the terms and conditions of offer to eligible employees in accordance with the established criteria of allocation;
- e. Administer the Offer to Eligible Employees or Eligible Persons and the acceptance thereof;
- f. Determine the Option Price;
- g. Determine the limits on the exercise of Option, including the number of shares exercisable and the prescribed Option Period and to impose any other terms and/or conditions it deems fit.
- h. Administer the exercise of Option;
- i. Suspend the right of any Grantee who is being subjected to disciplinary proceedings (whether or not such disciplinary proceedings may give rise to a dismissal or termination of service of such Grantee) to exercise his Option pending the outcome of such disciplinary proceedings. In addition to this right of suspension, the OC may impose such terms and conditions as the OC shall deem appropriate in its absolute discretion, on the right of exercise of the Option having regard to the nature of the charges made or brought against such Grantee provided always that:

- in the event such Grantee is found not guilty of the charges which gave rise to such disciplinary proceedings, the OC shall reinstate the right of such Grantee to exercise his Option; or
 - in the event such Grantee is found guilty resulting in the dismissal or termination of service of such Grantee, the Option shall immediately cease without notice and become null and void, upon the pronouncement of such dismissal or termination of service of such Grantee; or
 - in the event such Grantee is found guilty but is not dismissed or termination of service is not recommended, the OC shall have the right to determine in its absolute discretion whether or not the Grantee may continue to exercise his Option and if so, to impose such terms and conditions as it deems appropriate, upon such exercise.
- j. Carry out any duties deemed incidental or ancillary in relation thereto.

8. VARIATION

The above Terms and Reference may be determined and/or varied by the Company's Board of Directors from time to time. It shall be reviewed at least once every three (3) years or as and when the need arises.