APPENDIX VI

TERMS OF REFERENCE
ESOS COMMITTEE

DEFINITIONS AND INTERPRETATION

In these Terms of Reference, where the context so admits the following terms and expressions shall have the following meanings:-

Act	Companies Act, 2016, currently enforced and as amended from time to time and any re-enactment thereof
Board	Board of Directors of Dufu
Bursa Securities	Bursa Malaysia Securities Berhad (200301033577 (635998-W))
By-Laws	The rules, terms and conditions of the ESOS as may be modified, varied and/or amended from time to time
Committee	ESOS Committee
Company Secretary	Company Secretary/Joint Company Secretaries of Dufu
Dufu or Company	Dufu Technology Corp. Berhad (200201013949 (581612-A)
Dufu Group or Group	Dufu and its subsidiaries (excluding subsidiary companies which are dormant, if any), collectively
Dufu Share(s) or Share	Ordinary shares of Dufu
Eligible Person(s)	Executive directors and employees of the Dufu Group who meet the eligibility criteria for participation in the ESOS in accordance with the By-Laws
ESOS or Scheme	Employees' share option scheme of up to 10% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time during the duration of the Scheme for the Eligible Persons of Dufu Group
ESOS Options or Options	The right of a Grantee to subscribe for the Dufu Shares at the Option Price pursuant to the acceptance of an Offer by an Eligible Person in the manner provided in the By-Laws

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Grantee	An Eligible Person who has accepted an Offer in the manner provided in the By-Laws
Independent Director	A director as defined in Paragraph 1.01 of the Listing Requirements
Listing Requirements	Main Market Listing Requirements of Bursa Securities
Offer(s)	A written offer made by the Committee from time to time to an Eligible Person to participate in the Scheme in the manner provided in the By-Laws
Option Period	The period commencing from the date of Offer and expiring on the date of expiry of the Scheme or such other date as stipulated by the Committee in the Offer or upon the date of termination of the Scheme, whichever is the earlier
Option Price	The price at which a Grantee shall be entitled to subscribe for each Dufu Share from the Company upon the exercise of the Options, as initially determined and as may be adjusted in the manner provided in the By- Laws
Member	A member of the Committee as appointed by the Board
Secretary	Secretary of the Committee
Terms of Reference	The terms of reference of the Committee

In this Terms of Reference, unless the context otherwise requires:-

(i) Words importing the masculine gender shall include the feminine, neuter genders and vice versa; and

(ii) Words importing the singular shall include the plural and vice versa.

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1. OBJECTIVE OF THE COMMITTEE

(i) The primary objective of the Committee is to implement, allocate and administer the ESOS in accordance with objectives and rules, terms and conditions as stated in the By-Laws.

(ii) The Committee shall carry out such duties that may be delegated by the Board.

2. COMPOSITION OF THE COMMITTEE

(i) The Committee shall be appointed by the Board and shall be comprised of not fewer than three (3) in number. 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.

(ii) The Group Executive Chairman shall be the Chairman of the Committee. In the absence of the Group Executive Chairman, Group Chief Executive Officer shall be the Chairman of the Committee.

(iii) All Members shall hold office only for so long as they serve as Directors or employees within Dufu Group.

(iv) The Board shall have power at any time and from time to time to rescind the appointment of any person in the Committee and appoint new members to the Committee as it shall deem fit.

(v) The Members of the Committee shall be as follows: -

DESIGNATION
1. Group Executive Chairman
2. Group Chief Executive Officer
3. Chief Operating Officer
4. Human Resource Director
5. Chief Financial Officer

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3. SECRETARY OF THE COMMITTEE

(i) The Company Secretary of the Company or any other person appointed by the ESOS Committee shall be the Secretary of the ESOS Committee.

(ii) The Secretary shall: -

(a) ensure all appointments to the Committee are properly made;

(b) ensure that the Committee receives information and papers in timely manner to enable full and proper consideration to be given to issues;

(c) prepare the minutes of the Committee meetings and record the conclusion of the Committee in discharging its duties and responsibilities;

(d) circulate the minutes of the Committee meetings promptly to all members of the Committee and to make the same available to Board members; and

(e) ensure that the minutes of the Committee meeting are properly kept and produced for inspection, if required.

4. MEETINGS AND PROCEEDINGS

(i) A meeting may be called, at any time and from time to time when necessary, by the Chairman of the Committee or any member of the Committee. Meetings should be organised so that attendance is maximised. Any Director or management may be invited to the meetings by the Committee.

(ii) The meetings of the Committee may be conducted by means of telephone conferencing or other methods of simultaneous communication by electronic or telegraphic means and the minutes of such a meeting signed by the Chairman shall be conclusive of any meeting conducted as foresaid.

(iii) The notice of each meeting of the Committee, confirming the venue, time and date and enclosing an agenda of items to be discussed, shall other than under exceptional circumstances, be forwarded to each member of the Committee not fewer than five (5) working days prior to the date of the meeting.

(iv) The quorum for the meeting shall be three (3) members.

(v) Any decision arising at the meeting shall be decided by a majority of votes, each Member having one vote. In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.

(vi) The Secretary shall attend all meetings and minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance. The minutes shall be confirmed by the Chairman of the meeting and circulated to all members of the Committee. Subsequently, the said minutes shall be tabled to the Board for notation.

(vii) A resolution in writing signed or approved by letter, telex or facsimile by a majority of members shall be effective for all purposes as if it were a resolution passed at a meeting of the Committee duly convened, held and constituted. Any such resolution may consist of a single document or several documents all in like form each signed by one or more members.

5. POWERS AND AUTHORITY

5.1 The Committee shall have the powers and authorities pursuant to the By-Laws, including but not limited to the following:-

(i) To decide on any other eligibility criteria for purposes of selecting an Eligible Person from time to time;

(ii) To select any Eligible Person(s) to participate in the Scheme whose decision shall be final and binding;

(iii) To decide whether an Executive Director or an employee of Dufu Group who during the duration of the Scheme becomes an Eligible Person is eligible to participate in the Scheme;

(iv) To offer such number of Options to Eligible Person(s) in accordance with the Scheme after taking into consideration, inter alia, the Eligible Person(s)' position within the Dufu Group, fulfillment of the eligibility criteria stated in By-Law 4, the performance, contribution, employment grade, seniority and/or length of service to the relevant corporation within Dufu Group, and/or such other factors that the Committee may in its sole and absolute discretion deem fit;

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(v) To determine the maximum number of Options that can be offered to an Eligible Person under the Scheme as provided in By-Laws in relation to each class or grade of executive Directors and Employees and the aggregate maximum number of ESOS Options that can be offered to executive Directors and senior management under the Scheme from time to time, and the decision of the ESOS Committee shall be final and binding; and

(vi) To determine whether the granting of the ESOS Options to the Eligible Person(s) will be based on staggered granting over the duration of the Scheme or in one (1) single grant and/or whether the Options are subject to any vesting period and if so to determine the vesting conditions for the ESOS Options.

5.2 Pursuant to By-Law 6, the Committee shall have the right at its discretion at any time and from time to time make an Offer to an Eligible Person. In implementing the Scheme, the ESOS Committee may at its absolute discretion decide that the ESOS Options be satisfied by the following methods: -

(i) issuance of new Dufu Shares;

(ii) transfer of the Company's treasury shares or any other methods as may be permitted by the Act; or

(iii) a combination of any of the above.

5.3 Pursuant to By-Law 7, the Committee may at its discretion re-offer the Options to other Eligible Person in the event of death or cessation of employment of the Eligible Person or the Eligible Person becomes a bankrupt, as the case may be, prior to the acceptance of the Offer made to the Eligible Person(s), such Offer shall automatically lapse and be null and void and shall not be capable of acceptance.

5.4 Pursuant to By-Law 9, the Committee may at any time and from time to time, before and after the Options are granted, limit the exercise of the Options to a maximum number of Shares and/or such percentage of the total Shares comprised in the Options during such periods within the Option Period and impose other terms and/or conditions deemed appropriate.

5.5 Pursuant to By-Law 9, the Committee shall have the right at its discretion by notice in writing to that effect served on the relevant Grantee to 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 or may be found to have had no basis or justification) to exercise his Options pending the outcome of such disciplinary proceedings. In addition to this

right of suspension, the Committee may impose such terms and conditions as the Committee shall deem appropriate in its discretion, on Grantee's right to exercise his Options having regard to the nature of the charges made or brought against such Grantee, provided always that:

(i) in the event such Grantee is found not guilty of the charges which gave rise to such disciplinary proceedings, the Committee shall reinstate the right of such Grantee to exercise his Options;

(ii) in the event the disciplinary proceedings result in a recommendation for the dismissal or termination of service of such Grantee, all unexercised and partially exercised Options of the Grantee shall immediately lapse and be null and void and of no further force and effect, without notice to the Grantee, upon pronouncement of the dismissal or termination of service of such Grantee notwithstanding that such recommendation, dismissal and/or termination of service may be subsequently challenged or disputed by the Grantee in any other forum;

(iii) in the event such Grantee is found guilty but not dismissal or termination of services is recommended, the Committee shall have the right, to determine at its absolute discretion whether or not the Grantee may continue to exercise his Options or any part thereof and if so, to impose such terms and conditions as it deems appropriate, on such exercise rights; or

(iv) in the event that no decision is made or disciplinary proceedings are not concluded prior to the expiry of the Option period, the Option of such Grantee shall immediately lapse on the expiry of the Option period without notice.

5.6 Pursuant to By-Law 10, the Option Price shall be a price to be determined by the Board upon recommendation of the ESOS Committee based on the five (5)-day volume weighted average market price of the Dufu Shares immediately preceding the date of Offer with a discount of not more than ten percent (10%) during the duration of the Scheme.

5.7 Pursuant to By-Law 13, the Committee shall prescribe or impose, in relation to any Offer, any condition relating to any retention period or restriction on transfer as it sees fit.

5.8 Pursuant to By-Law 14, the Committee shall also have the right to administer the exercise and/or termination of an Option in the event the employee ceases to be in the employment of the Company by reason of:-

(i) retirement upon or after attaining the age in accordance with the Company's retirement policy; or

(ii) retirement before the age specified under the above said retirement policy, with the consent of his/her employer; or

(iii) ill-health, injury, physical or mental disability; or

(iv) redundancy, retrenchment or voluntary separation scheme; or

(v) any executive Director not being re-elected during a general meeting of the Company; or

(vi) transfer to any company outside the Group at the direction of the Company; or

(vii) any other circumstance as may be deemed as acceptable to the Committee.

5.9 Pursuant to By-Law 19, the Committee may at any time before the Date of Expiry without obtaining the approvals from the Grantees or the Company's shareholders to terminate the Scheme.

5.10 Pursuant to By-Law 20, the Committee shall 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 decision of the ESOS Committee shall be final and binding.

5.11 Pursuant to By-Law 21, the Committee may at any time and from time to time recommend to the Board any additions, amendment and/or modification to any of the provisions of the By-Laws as it shall in its discretion deems fit.

6. REPORTING

The Chairman of the Committee shall report the proceedings of each Committee Meeting to the Board.

7. REVISION OF THE TERMS OF REFERENCE

The ESOS Committee's terms of reference may from time to time be amended as required, subject to the approval of the Board.

This Term of Reference of ESOS Committee has been updated and adopted by the Board on 25 February 2022.