

AUDIT COMMITTEE

1.1 TERMS OF REFERENCE

1.1.1 Purpose

The purpose of the Audit Committee is to assist the Board of Directors in fulfilling its responsibilities for the financial reporting process, system of internal control and audit process.

1.1.2 Composition

The Audit Committee consists of three members appointed from among the members of the Board, all of whom are non-executive and independent. The Chairman of the Audit Committee is appointed from among its members.

1.1.3 Authority

The Audit Committee is empowered to, in accordance with the procedures determined by the Board of Directors and at the cost of the Company :-

- investigate any matters within its terms of reference;
- have full and unrestricted access to all information in relation to the Company and its subsidiaries (“the Group”);
- have direct communication channels with the External Auditors and Internal Auditors;
- obtain external independent professional advice or assistance; and
- convene closed meetings with the External Auditors, the Internal Auditors or both, excluding the attendance of other Directors and employees of the Company, whenever deemed necessary.

1.1.4 Meetings and Attendance

The Audit Committee shall meet at least four times a year or as and when the need arises.

The quorum for a meeting shall be two. Directors, employees, auditors or others may attend meetings upon the invitation of the Audit Committee.

1.2 ROLES AND RESPONSIBILITIES

The Audit Committee shall play its roles and discharge, amongst others, the following responsibilities:-

- Review with the Internal Auditors, the scope, functions, competency and adequacy of resources, authority, internal audit programmes and results, processes or investigations undertaken and the action taken on their recommendations;
- Review the quarterly results and annual financial statements of the Group prior to approval by the Board of Directors;
- Review any related party transaction and conflict of interests situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- Review with the External and Internal Auditors, the effectiveness of the Group's system of internal controls, including information technology security and control;
- Review the effectiveness of the External Auditors, including their appointment, audit fees and any related issues;
- Review the effectiveness of the Internal Auditors' functions, including the appointment or termination of senior internal audit staff, and the assessment and resignation of internal audit staff;
- Consider other issues assigned by the Board of Directors;

- Report its activities, issues and related recommendations to the Board of Directors; and
- Review and verify all documents if so required pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad.