



(Company No. 11817-V)
(Incorporated in Malaysia under the Companies Act, 1965)

TERMS OF REFERENCE AUDIT COMMITTEE

1. Review audit plans before the audit commences, audit reports, evaluations of the system of internal accounting controls and management letters and response with the external auditors.
2. Carry out the following with regard to the internal audit function:
 - (i) Review the adequacy of scope, functions and resources of the internal audit function and that it has the necessary authority to carry out its work;
 - (ii) Review the internal audit programmes, major findings of internal audits, process and investigation undertaken, management's response and coordination between the internal and external auditors;
 - (iii) Review any appraisal or assessment of the performance of members of the internal audit function; and
 - (iv) Approve any appointment/termination of senior internal audit staff and keep informed of resignations of internal audit staff and provide the resigning staff with opportunity to submit reasons for resigning.
3. Review quarterly results and year end financial statements, before the approval by the Board, focusing particularly on:
 - (i) Any changes in or implementation of major accounting policy changes;
 - (ii) Significant and unusual events; and
 - (iii) Compliance with accounting standards and other legal requirements.
4. Discuss any problems and reservations arising from the interim and final audits and any matters the external auditors may wish to discuss (in the absence of Management where necessary) two times in a year.
5. Review any related party transactions and conflict of interests situation that may arise in the Company and Group including any transactions, procedure or course of conduct that raises questions of Management integrity.
6. Review the performance of external auditors of the Company to the Board of Directors.
7. Monitor the implementation of the Group's risk management policies, ensuring an appropriate enterprise-wide risk management system is in place with adequate and effective processes.
8. With the Board's approval, the Committee shall be authorized to delegate certain functions to sub-committees to support, and consistent with, the Committee's oversight responsibilities. These sub-committees shall act within agreed terms of reference and shall report all of their recommendations to the Committee for full deliberation and discussion. These sub-committees are not authorized to implement its recommendations on behalf of the Committee but shall make the relevant recommendations to the Committee for its consideration and implementation.

9. Consider and review any letter of resignation from the external auditors of the Company and recommend the nomination of another firm of external auditors.
10. The Committee shall also report on the following to the Board to enable the Board in preparing an Audit Committee Report for the Company's annual report:
 - (i) The composition of the Committee, including name, designation and directorship of the members and whether the director is independent or otherwise;
 - (ii) The terms of reference of the Committee;
 - (iii) The number of Committee meetings held in the financial year and details of attendance of each member;
 - (iv) A summary of the activities of the Committee in the discharge of its functions and duties for the financial year; and
 - (v) A summary of the activities of the Group Internal Audit Department ("the GIA").
11. If the Committee is of the view that a matter reported by the Committee to the Board has not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Committee shall be responsible for reporting such matters to Bursa Malaysia Securities Berhad. The Committee shall have the discretion to undertake such action independently from the Board.
12. The Committee shall update the Board on issues and concerns discussed during their meetings including those raised by external auditors and where appropriate, make the necessary recommendations to the Board.
13. The Committee shall review the allocation of Employee Share Scheme ("ESS") to ensure that it is consistent with the approved matrix set out in the ESS Bye-Laws and confirms that allocation is in compliance with the criteria of the said ESS Bye-Laws.