

**AUDIT COMMITTEE
TERMS OF REFERENCE**

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I. COMPOSITION

The Committee shall be appointed by the Board of Directors amongst the Directors of the Company which fulfils the following requirements:-

1. the Committee must be composed of not fewer than three (3) members;
2. all the Committee members must be Non-Executive directors with a majority of them being Independent Directors; and
3. at least one (1) member of the Committee:-
 - (a) must be a member of the Malaysian Institute of Accountants; or
 - (b) if he is not a member of the Malaysian Institute of Accountants, he must have at least three (3) years of working experience; and
 - (i) he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
 - (ii) he must be a member of one of the Association of Accountants specified in Part II of the First Schedule of the Accountants Act 1967; or
 - (c) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("Bursa Securities").

The members of the Committee shall elect a Chairman from among themselves who shall be an Independent Director and who is not the Chairman of the Board. No Alternate Director should be appointed as a member of the Committee. Where a former key audit partner is appointed to the Board of the Company, he/she is required to observe a cooling-off period of at least three years before being appointed as a member of the Committee.

In the event of any vacancy in the Committee resulting in the non-compliance of the Listing Requirements of Bursa Securities pertaining to the composition of the Audit Committee, the Board of Directors shall within three (3) months of that event fill the vacancy.

The terms of office and performance of the Committee and each of its members must be reviewed by the Nomination Committee annually to determine whether the Committee and its members have carried out their duties in accordance with their terms of reference.

II. MEETINGS

Frequency

Meetings shall be held not less than four (4) times a year, with additional meetings convened as and when necessary. Upon the request of the external or internal Auditors, the Chairman of the Committee shall convene a meeting of the Committee to consider any matter the external or internal Auditors believe should be brought to the attention of the Directors or shareholders.

In the interval between Audit Committee meetings, for exceptional matters requiring urgent decisions, Audit Committee approvals are sought via circular resolutions which are attached with sufficient information required for an informed decision.

Quorum

The quorum for the meeting shall be 2 members, both being Independent Directors.

Secretary

The Company Secretary shall be the Secretary of the Committee or in her absence, another person authorised by the Chairman of the Committee.

Reporting Procedure

The minutes of each meeting shall be circulated to the Committee members and to all members of the Board.

Attendance

Other Directors and employees may attend any particular meeting only at the Audit Committee's invitation, specific to the relevant meeting.

At least once a year, the Committee shall meet with the external Auditors without any Executive Directors and Management present.

III. RIGHTS AND AUTHORITY

- (1) The Audit Committee is authorised by the Board of Directors to investigate any activities within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to cooperate on any request made by the Audit Committee.
- (2) The Audit Committee shall obtain other independent professional advice if it deems or considers necessary subject to Board approval.

- (3) The Audit Committee is empowered to convene meetings with the external Auditors, the Internal Auditors or both, excluding the attendance of other Directors and employees of the Group, whenever deemed necessary.

IV. FUNCTIONS, DUTIES AND RESPONSIBILITIES

The functions, duties and responsibilities of the Audit Committee are as follows:-

- (1) To review the quarterly results and year-end financial statements of the Group and the Company before recommending to the Board of Directors for approval, focusing particularly on:-
 - (a) any changes in or implementation of major accounting policies and practices;
 - (b) significant and unusual events or transactions, significant matters highlighted arising from the audit;
 - (c) the going concern assumption; and
 - (d) compliance with accounting standards and other legal and regulatory requirements.
- (2) To recommend the nomination of a person or persons as the external Auditors and to review the audit fee.
- (3) To consider any letter of resignation from the external Auditors and relevant questions pertaining to their resignation or dismissal as well as whether there is reason (supported by grounds) to believe that the external Auditors are not suitable for re-appointment.
- (4) To review and discuss the audit plan with the external Auditors, before the audit commences, the nature and scope of audit, and ensure co-ordination where more than one audit firm is involved;
- (5) To review with the external Auditors, their evaluation of the Group's system of internal controls;
- (6) To review with the external Auditors, their audit report to the Audit Committee and Management's response;
- (7) To review the assistance given by employees of the Group to the external Auditors;
- (8) To carry out annual assessment on the performance, suitability and independence of the external Auditors based on the established policies and procedures that consider among others:-

- (a) the competence, audit quality and resource capacity of the external Auditors in relation to the audit;
 - (b) the nature and extent of non-audit services rendered and the appropriateness of the level of fees; and
 - (c) obtaining written assurance from the external Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.
- (9) To review the following in respect of the internal audit function:-
- (a) the adequacy of the scope, functions, competency and resources of the internal audit functions, and that it has the necessary authority to carry out its works;
 - (b) the internal audit programme, process, results of the internal audit programme and process and where necessary ensure that appropriate actions are taken on the recommendations of the internal audit function;
 - (c) any appraisal or assessment of the performance of members of the internal audit function; and
 - (d) the major findings of internal investigations and the management's response.
- (10) To discuss the problems and reservations arising from any interim and final audit, and any matter the external and/or internal auditors may wish to discuss (in the absence of Management where necessary);
- (11) To review and monitor any related party transactions 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;
- (12) To review the Corporate Governance Overview Statement, Audit Committee Report and Sustainability Statement prior to inclusion in the Company's Annual Report; and
- (13) To undertake such other functions as may be authorised by the Board.

Revised by the Board on 11 October 2023.