

AUDIT COMMITTEE CHARTER

The Audit Committee (“AC”) is established under the Board Charter of PJBUMI Berhad (“Company”)

Membership

- The Committee shall be appointed by the Board from amongst its members and shall comprise not less than three (3) members, all of whom are non-executive Directors with majority of them being independent directors.
- The Chairman of the Committee shall be an independent non-executive Director appointed by the Board.
- No alternate Director shall be appointed as a member of the Committee.
- At least one member of the Committee :-
 - i) shall be a member of the Malaysian Institute of Accountants; or
 - ii) if he is not a member of the Malaysian Institute of Accountants, he shall have at least three (3) years’ working experience and :-
 - a) he must have passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act 1967; or
 - b) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Acts 1967.
- The term of office and performance of the Committee and each of its members must be reviewed by the Board at least once every three (3) years.
- If a member of the Committee resigns or for any other reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board shall within three (3) months of that event, appoint such number of new members as may be required to make up a minimum number of three (3) members.

Authority

- The Committee is authorized by the Board to investigate any matter within its terms of reference, to obtain the resources which it needs, and to have full and unrestricted access to information. It is also authorized to seek any information it requires from any employee of the Group and all employees are directed to cooperate with any request made by the Committee.
- The Committee shall have direct communication channels with the external and internal auditors.
- The Committee is authorized by the Board to obtain independent professional or other advice at the Company's expense and to invite outsiders with relevant experience and expertise to attend meetings if it considers this necessary.
- Where the Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements of the Bursa Malaysia Securities Berhad, the Committee shall promptly report such matter to the Exchange.
- Be able to convene meetings with external auditors and internal auditors or both, excluding the attendance of the other directors and employees, whenever deemed necessary.

Meetings

- Meetings shall be held at least four (4) times a year with a minimum quorum of two (2) members and the majority of members present shall be independent non-executive Directors. Additional meetings may be called at any time at the discretion of the Committee.
- The head of internal audit shall be in attendance at meeting of the Committee. The Committee may invite the external auditors, the chief financial officer, any other Directors or members of the management and employees of the Group to be in attendance during meetings to assist in its deliberations.
- At least once a year, the Committee shall meet with the external auditors without any executive Board member present and upon the request of the external auditors, the Chairman of the Committee shall convene a meeting to consider any matter which the external auditors believe should be brought to the attention of the Board or shareholders.
- The Company Secretary shall be the Secretary of the Committee.
- The minutes of each Committee meeting shall be tabled to the Board by the Chairman of the Committee.

PJBUMI BERHAD

TERMS OF REFERENCE OF THE COMMITTEE

Duties and Responsibilities

- To review the quarterly results and annual financial statements of the Company and the Group, and to recommend the same to the Board for approval whilst ensuring that they are prepared in a timely and accurate manner, complying with all applicable accounting and regulatory requirements and are promptly published.
- To review any related party transaction and conflict of interest situation that may arise within the Company or the Group, including any transaction, procedure or course or conduct that raises questions of management integrity.
- To review with the external and internal auditors whether the employees of the Group have given them appropriate assistance in discharging their duties.
- To review the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work.
- To review the internal audit plan and processes, the results of the internal audit programme or investigation undertaken and whether or not appropriate action is taken by management on the recommendations of the internal auditors.
- To appraise and review the performance of the internal auditors.
- To approve any appointment or termination of the internal auditors and to review any resignations of internal auditors and provide resigning internal auditors the opportunities to submit reasons for resigning, where necessary.
- To review with the external auditors, the nature and scope of their audit plan, their evaluation of the system of internal controls and their management letter and discuss any matter that the external auditors may wish to raise in the absence of management, where necessary.
- To recommend to the Board on the appointment and the annual reappointment of the external auditors and their audit fee, after taking into consideration the independence and objectivity of the external auditors and the cost effectiveness of their audit.
- To discuss and review with the external auditors any proposal from them to resign as auditors.
- To review inspection and examination reports issued by any regulatory authority and to ensure prompt and appropriate actions are taken in respect of any findings.
- To perform any other functions as authorized by the Board.