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PLUS MALAYSIA BERHAD

Company No.: 201001039714 (923639-A)
(Incorporated in Malaysia)

AUDIT COMMITTEE

TERM OF REFERENCE



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TERMS OF REFERENCE

OF THE

AUDIT COMMITTEE

(Revised and Adopted on 26 February 2025)

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TERMS OF REFERENCE OF THE AUDIT COMMITTEE

1. INTRODUCTION

- 1.1. This Terms of Reference ("TOR") sets out the purpose, composition, authority, procedures and the duties and responsibilities of the Audit Committee of PLUS Malaysia Berhad, as at the date hereof.
- 1.2. Unless otherwise stated the following applies:
 - "PMB" or "Company" refers to PLUS Malaysia Berhad;
 - "PMB Group" or "Group" refers to PMB and its Group of Companies;
 - "Board" refers to the Board of Directors of PMB;
 - "AC" or "Committee" refers to the Audit Committee of PMB;
 - "Senior Management" refers to the Managing Director, other Executive Directors (if any), Chief Financial Officer, Chief Operating Officer, Chief Technology Officer, employees at job grade of UT2 and above, and senior management employees in pivotal positions as may be identified and determined from time to time by the Managing Director; and

Words importing a gender include all genders.

2. OBJECTIVES OF THE COMMITTEE

- 2.1. The objectives of the Committee are to assist the Board of PMB Group in discharging its oversight responsibilities by reviewing the integrity and adequacy of the Group's process, systems of internal controls, financial reporting process and management information systems, including related party transactions and systems for compliance with applicable laws, regulations, rules, directives and guidelines.
- 2.2. The AC shall reinforce the independence of the external auditors, assure that they will have free rein in the audit process and provide a line of communication between the Board and the external auditors.
- 2.3. The AC shall enhance the internal audit function by increasing the objectivity and independence of the internal auditors and provide a forum for discussion that is independent of the management. The quality of the audits conducted by the internal and external auditors of the Company shall be reviewed by the AC.
- 2.4. The AC shall encourage high standards of corporate disclosure and transparency. The AC will endeavour to adopt certain practices aimed at maintaining appropriate standards of corporate responsibility, integrity and accountability to the Company's shareholders.

3. COMPOSITION AND ROLES OF THE COMMITTEE

3.1. Members

- 3.1.1. The AC members shall be appointed by the Board from amongst the directors of the Company or its subsidiary companies or any individual that the Board deem suitable.
- 3.1.2. The composition of the AC must not be less than three (3) Members.
- 3.1.3. All the members of the AC must be non-executive directors, with at least one (1) of them being an independent director.
- 3.1.4. All members of the AC must be financially literate, and at least one (1) member:
 - (i) is a member of the Malaysian Institute of Accountants ("MIA"); or
 - (ii) if he is not a member of the MIA, he must have at least 3 years' working experience, and:
 - (a) must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
 - (b) must be a member of one (1) of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967.
- 3.1.5. No alternate director shall be appointed as a member of the AC.
- 3.1.6. Any former key audit partner who has served the Group would have to observe a cooling-off period of at least two (2) years prior to being appointed as a member of the AC.
- 3.1.7. Members of the AC, including the Chairman, will hold office only so long as they serve as Directors of PMB and its subsidiary companies, or as determined by the Board.
- 3.1.8. In the event of any vacancy in the AC, the Board must fill the vacancy within 3 months from the date of the vacancy.
- 3.1.9. Each AC member is expected to:
 - (i) Provide individual external independent opinions to the fact-finding, analysis and decision-making process of the AC, based on his/her experience and knowledge;
 - (ii) Consider viewpoints from the other AC members; make decisions and recommendation for the best interests of the Board collectively; and
 - (iii) Keep abreast of the latest corporate governance guidelines and best practices in relation to the AC and the Board as a whole.

3.2. Chairman

- 3.2.1. The Chairman of AC shall be an Independent Director and shall not be the Chairman of the Board, and his appointment is to be approved by the Board.
- 3.2.2. In the absence of the Chairman of the AC at any of the Committee's meetings, the other AC members present shall amongst themselves elect a Chairman to chair the meeting.
- 3.2.3. The following are the main duties and responsibilities of the Chairman of the AC:
 - (i) Helps the AC fulfil the goals it sets by assigning specific tasks to members of the AC and identifies guidelines for the conduct of the members and ensures that each member is making a significant contribution;
 - (ii) Engages with the Secretary(ies) of the AC on matters related to its Terms of Reference and its responsibilities under the rules and regulations to which it is subject to and how those responsibilities should be discharged. The compliance advice should extend to embrace all laws and regulations and not merely the routine filing requirements and other administrative requirements of the Companies Act, 2016 (including of any amendments thereto);
 - (iii) Provides a reasonable time for discussion at the meeting. Organises and presents the agenda for regular or special AC meetings based on input from members and ensures that all relevant issues are on the agenda. In addition, the Chairman should encourage debate on the issue before the AC;
 - (iv) Provides leadership to the AC and ensures proper flow of information to the AC, reviewing the adequacy and timing of documentation;
 - (v) Secures good corporate governance and ensures that members look beyond their AC functions and accept their full share of responsibilities of governance materials in support of Management's proposals;
 - (vi) Manages the processes and workings of the AC and ensures that the AC discharges its responsibilities in accordance with the Terms of Reference. Appropriate procedures may involve the AC meeting on a regular basis without the presence of the Management;
 - (vii) Ensures that every AC resolution is put to a vote to ensure that it is the will of the majority that prevails; and
 - (viii) Engages on a continuous basis with senior management, such as the Chairman, Managing Director, the Chief Financial Officer, the Head of Internal Audit and the external auditors in order to be kept informed of matters affecting the Company.

3.3. Secretary

- 3.3.1. The Company Secretary(ies) of PMB shall be the Secretary(ies) of the AC.
- 3.3.2. The Secretary(ies) of the Committee and/or, with the approval of the Committee, their representative(s) shall be present to record proceedings of the Committee meetings.
- 3.3.3. The Secretary(ies) of the Committee shall have the following responsibilities:
 - (i) ensuring meetings are arranged and held accordingly;
 - (ii) drawing up meeting agenda in consultation with the Chairman of the Committee, and circulate the agenda, together with the relevant papers, at least three (3) business days prior to each of the Committee's meetings;
 - (iii) ensuring proceedings of meetings are properly minuted; and
 - (iv) ensuring the Committee's recommendations presented to the Board are supported by explanatory papers, including the report of the Committee or minutes that explain the rationale of the Committee's recommendations.

4. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

The following are the main duties and responsibilities of the AC collectively:

4.1. Corporate Financial Reporting

- 4.1.1. Review the quarterly interim results and annual financial statements of the Company and the Group prior to presentation and/or approval by the Board, focusing particularly on:
 - (i) Any significant changes in accounting policies and practices and its implementation;
 - (ii) Significant adjustments arising from the audit;
 - (iii) The going concern assumption;
 - (iv) Compliance with accounting and financial reporting standards and other legal requirements; and
 - (v) Significant matters highlighted including financial reporting issues, significant judgments made by Management, significant and unusual events or transactions, and how these matters are addressed.
- 4.1.2. Review with Management and the external auditors the results of the audit, including any difficulties encountered.



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4.2. Internal Controls

- 4.2.1. Oversee the Company's internal controls structure to assure operational effectiveness and efficiency, reduce the risk of unreliable financial reporting, protect the Company's assets from misappropriation and encourage legal and regulatory compliance.
- 4.2.2. Monitor systems and procedures, with external and internal auditors, which are designed to provide a satisfactory and effective level of internal controls, asset protection and management information.
- 4.2.3. Monitor the PMB Group's operations via appropriate internal audit reviews, to ascertain if adequate attention is given to attributes of efficiency, effectiveness and economy.
- 4.2.4. Assist the Board in setting appropriate policies on internal control system and ensure that the system is functioning adequately and that its integrity is maintained in managing the risks of the Company and companies within the Group.
- 4.2.5. Review and recommend to the Board proposal for amendments to PMB Group's Discretionary Authority Limits (DAL), with prior risk assessments by the relevant functions duly undertaken to such proposed revisions.

4.3. Internal Audit

- 4.3.1. Review and approve the Internal Audit Charter which defines the internal audit's purpose, scope, responsibilities and authority within the PMB Group.
- 4.3.2. Consider the major findings of internal investigations and Management's response.
- 4.3.3. Review the extent to which internal audit recommendations are implemented and the timeliness of responses received.
- 4.3.4. Review internal audit performance and effectiveness to ensure consistency with the approved plans, the internal audit plans and relevant professional standards.
- 4.3.5. Review the adequacy of the scope, functions, competency and resources of the Internal Audit function and that it has appropriate standing within PMB and its subsidiary companies to undertake its activities independently and objectively, including but not limited to the following:
 - (i) Reviewing and approving the Annual Internal Audit Plan and ensuring adequate risk and governance coverage;
 - (ii) Reviewing the results of the internal audit process and where necessary ensuring that appropriate actions are taken on the recommendations of the internal auditors;
 - (iii) Reviewing the overall performance of the Internal Audit function;

- (iv) Approving any appointment or termination of the party that provides the internal audit function; and
- (v) Taking cognizance of resignations of senior internal audit staff members and provide the resigning staff member an opportunity to submit his/her reasons for resigning.

4.4. External Audit

- 4.4.1. Review with external auditors, their audit report.
- 4.4.2. Recommend to the Board on the appointment and 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 the audit.
- 4.4.3. In addition to the above, the AC shall approve and monitor non-audit services to be provided by the external auditors as outlined in the PMB Group Non-Audit Services Policy to ensure that the provision of non-audit services does not impair their independence or objectivity. Non-audit services include the following but not limited to:
 - (i) Taxation services; and
 - (ii) Other non-assurance services covering:
 - (a) Agreed-upon procedures;
 - (b) Engagements in relation to corporate exercises; and
 - (c) Provision of accounting advice and assistance.
- 4.4.4. Review with the external auditors before the audit commences, the nature and scope of the audit as well as audit plan and ensure coordination where more than one audit firm are involved.
- 4.4.5. Discuss problems and reservations arising from the interim and final audits and any matter the auditors may wish to discuss in the absence of the management where necessary.
- 4.4.6. Review the external auditors' management letter and Management's response.
- 4.4.7. Review any letter of resignation from the external auditors and any questions of resignation or dismissal.
- 4.4.8. Review any appraisal or assessment of the performance of external auditors.

4.5. Others

- 4.5.1. Review the assistance and co-operation given by the Company and its Group's officers to the external and internal auditors.



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- 4.5.2. Review any related party transaction and conflict of interest situations that may arise within the Company or the Group, including any transaction, procedure or course of conduct that raises questions of Management's integrity.
- 4.5.3. Consider other matters as defined by the Board.
- 4.5.4. The AC shall be notified on whistleblowing investigations performed by Internal Audit or any investigating parties, if required.

5. AUTHORITY OF THE COMMITTEE

In carrying out its duties and responsibilities, the AC will have the following rights:

- 5.1. Explicit authority to investigate any matter within its terms of reference and to appoint such investigator(s), as appropriate.
- 5.2. The resources that are required to perform its duties.
- 5.3. Full, free and unrestricted access to any information, records, properties and personnel of PMB and of any other company within its Group.
- 5.4. Direct communication channels with:
 - (i) The external auditor;
 - (ii) The person(s) carrying out the internal audit function or activity; and
 - (iii) The person(s) carrying out the integrity function or activity.
- 5.5. Be able to obtain independent professional or other advice and to invite outsiders with relevant expertise to attend the AC's meetings (if required) and to brief the AC.
- 5.6. Be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.
- 5.7. The attendance of any particular AC meeting by other Directors and employees of the Company and/or its subsidiary company(ies) shall be at the AC's invitation and discretion and must be specific to the relevant meeting.

6. COMMITTEE MEETINGS

6.1. Frequency of Meetings

- 6.1.1. The AC will meet at least four (4) times in each financial year and additional meetings may be called at any time, at the discretion of the AC Chairman.
- 6.1.2. The AC is recommended to meet with external auditors without the presence of the executive board members and management at least twice a year, and whenever deemed necessary.



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6.2. Calling of Meeting

- 6.2.1. Meetings of the AC shall be called by the Secretary at the request of the AC Chairman or any member of the Committee.
- 6.2.2. Upon the request of the auditor(s), the AC Chairman shall also convene a meeting of the AC to consider any matter the auditor(s) believes should be brought to the attention of the Board or the shareholders.
- 6.2.3. A meeting of the AC may be held fully virtual or hybrid at more than one venue using any technology or method. A member of the AC or any invitees may participate in the meeting by means of telephone, video conference or telephone conference, or any other audio, or audio visual, or telecommunication facilities, which permits all persons participating in the meeting to communicate with each other. A person so participating shall be deemed to be present in person at such meeting and shall be counted in a quorum and be entitled to vote on the resolutions tabled at the meeting.
- 6.2.4. Recommendations of the AC are to be submitted to the Board for approval.

6.3. Notice

- 6.3.1. The Secretary, in consultation with the Chairman of the AC, shall draw up an agenda of the meeting. Unless otherwise agreed, notice for calling the AC meeting shall be given to all its members at least seven (7) days before the meeting or at shorter notice as the AC shall determine. The notice of each meeting shall be given and circulated to all AC members by facsimile, electronic mail, or such other communication modes/equipment.
- 6.3.2. An agenda of items to be discussed together with its supporting papers shall be sent to the AC at least three (3) days before the AC meeting, or as soon as reasonably practicable by facsimile, electronic mail, or such other communication modes/equipment.

6.4. Quorum

The quorum for the AC meeting shall be two (2) members and at least 1 member must be Independent.

6.5. Virtual Meeting

- 6.5.1. A virtual meeting shall be deemed to constitute an AC meeting provided the following conditions are met:
 - (i) all the AC members for the time being entitled to receive notice of the AC meeting shall be entitled to receive notice of a virtual meeting. Notice of any such meeting shall be given by an appropriate form of technology (or in such other manner) as may be permitted by the Constitution of the Company; and
 - (ii) AC members may not leave a virtual meeting by disconnecting from the technology used unless he has previously expressly notified the AC Chairman of his intention to leave the meeting and an AC member shall be conclusively

presumed to have been present and to have formed part of the quorum at all times during such a meeting until such notified time of his leaving the meeting.

6.5.2. The main venue of the virtual meeting shall be the registered office of the Company.

6.6. Attendance

6.6.1. The Managing Director and other appropriate officer(s) may be invited to attend where their presence is considered appropriate as determined by the AC Chairman.

6.6.2. The internal and/or external auditors have the right to appear and be heard at any meeting of the AC and are recommended to attend each AC meeting.

6.6.3. Other Board members, employees or representatives of service providers may also attend meetings upon the invitation of the AC, as and when required.

6.6.4. The Secretary(ies) of the AC and/or their representative(s) shall be in attendance at all AC meetings and record the proceedings of the meeting thereat.

6.7. Voting

6.7.1. A resolution put to a vote at the meeting shall be decided by a majority of the votes. In the case of an equality of votes, the AC Chairman shall be entitled to a second or casting vote except where two (2) members form a quorum, the chairperson of a meeting at which only such a quorum is present, or at which only two (2) members are competent to vote on the question at issue shall not have a casting vote and such matters shall be referred to the Board for decision.

6.7.2. A member of the AC who has an interest or is involved directly or indirectly in any matter under consideration by the meeting, shall abstain from deliberating and voting.

6.8. Minutes of Meeting

6.8.1. The Secretary(ies) of the AC and/or their representative(s) shall minute the proceedings and resolutions of all the AC meetings, including the names of those present and in attendance, in a clear, accurate (reflect the deliberations and decisions), consistent, complete and timely manner.

6.8.2. Minutes of each meeting shall be signed physically or digitally signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and shall be kept as part of the statutory records of the Company upon adoption and/or approval by the AC.

6.8.3. The minutes of the AC Meetings shall be kept by the Company at the Registered Office and/or the principal place of business in Malaysia of the Company, in compliance with the requirements of the relevant law and regulations, e.g. Companies Act, 2016 and Income Tax Act, 1967, and shall be open to the inspection of any member of the AC without charge.

- 6.8.4. Reproduction of any part of the minutes can only be performed through and/or by the Company Secretary(ies) of PMB.

7. COMMITTEE'S WRITTEN RESOLUTIONS

- 7.1. A resolution in writing or written resolution of the AC signed and approved or assented by all the AC members who may at the time be present in Malaysia and who are sufficient to form a quorum, shall be valid and effectual as if it had been passed at a meeting of the AC duly called and constituted. All such resolutions shall be forwarded or otherwise delivered to the Secretary(ies) of the AC without delay and shall be recorded by them in the Company's Minute Book. Any such resolution may consist of several documents in like form each signed, approved or assented by one or more AC members and may be transmitted by facsimile or email transmission by or to the Secretary(ies) or by any form of electronic communication approved by the Board. Any such document may be accepted as sufficiently signed, approved or assented by an AC member if transmitted to the Company by any technology purporting to include a signature and/or electronic or digital signature or electronic vote of the AC member.
- 7.2. For the avoidance of doubt, any document or instrument transmitted through any technology that includes a signature and/or electronic or digital signature of the AC members shall, in the absence of express evidence to the contrary available to the person relying on such document or instrument at the relevant time, be deemed to be a document or instrument signed by such person in the terms in which it is received.


8. AUTHENTICATION OF DOCUMENTS

Any Director or the Secretary or any person appointed by the Board for the purpose, shall have power to authenticate any resolutions passed by the AC, and to certify copies thereof or extracts therefrom as true copies or extracts. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting of the AC which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed, or as the case may be, that any minutes so extracted is a true and accurate record of proceedings at a duly constituted meeting. Any authentication or certification made pursuant to this Clause may be made by any electronic means approved by the Board from time to time for such purpose incorporating, if the Board deems necessary, the use of security procedures or devices approved by the Board.

9. REPORTING

- 9.1. The AC, through its Chairman, shall report a summary of significant/material matters to the Board at the next Board meeting after each AC meeting, where required.
- 9.2. Recommendations of the AC are to be submitted to the Board for approval. When presenting any recommendations to the Board, the AC will provide such background and supporting information as may be necessary for the Board to make an informed decision.



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10. REVIEW OF THE TERMS OF REFERENCE

- 10.1. The TOR shall be reviewed periodically and accordingly updated, as and when required, in such manner as the AC deems appropriate to ensure that it remains consistent with the AC's objectives or role as a whole, the Company's Constitution, the direction or strategies of the Company and the Group, and the existing regulatory requirements and recommendations. Such a review shall be facilitated by the Company Secretary(ies) and/or the Head of Legal, Risk & Compliance of PMB.
- 10.2. All amendments to the TOR must be recommended by the AC and approved by the Board. Upon the Board's approval, the said revision or amendment shall form part of this TOR and it shall be considered duly revised or amended.

This revised TOR is reviewed and approved by the Board of Directors on **26 February 2025**.