



TRIVE PROPERTY GROUP BERHAD

Registration No. 200401029337 (667845-M)

AUDIT COMMITTEE **TERMS OF REFERENCE**

Appointment/Composition

- 1) The AC shall be appointed by the Board from amongst its members.
- 2) The AC shall consist of not less than 3 members, all of whom shall be non-executive directors and financially literate with majority of its members are independent directors.
- 3) At least 1 member of the AC:
 - a) must be a member of the Malaysian Institute of Accountants; or
 - b) must have at least 3 years' working experience and :-
 - must have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967; or
 - must be a member of one of the associations 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 Securities.
- 4) No Alternate Director shall be appointed as a member of the AC.
- 5) No former key audit partner shall be appointed as a member of the AC unless he has observes three (3) years of cooling-off period before the appointment; and
- 6) Members of the AC shall elect a Chairman from amongst their number who is an independent director. The Chairman of the AC is responsible in ensuring the overall effectiveness and independence of the AC.
- 7) The term of office and performance of the AC and each of its members shall be reviewed annually by the Nominating Committee to determine whether the AC and its members have carried out their duties in accordance with the terms of reference.
- 8) The Board shall, within 3 months of a vacancy occurring in the AC which result in the number of members reduced to below 3, appoint such number of new members as may be required to make up the minimum number of 3 members.

Meetings

- 1) The AC shall meet at least 4 times a year or as frequently as the Chairman shall decide or at the request of external auditors.
- 2) The quorum of the AC meeting shall be 2 members, comprising a majority of independent directors.
- 3) The Company Secretary shall act as the secretary of the AC.
- 4) In the absence of the Chairman of the AC, the remaining members present shall elect one of their numbers who is an independent director to chair the meeting.
- 5) The Chairman of the AC should engage on a continuous basis with the senior management, the internal auditors and the external auditors in order to be kept informed of matters affecting the Company.
- 6) The AC should meet with the external auditors at least twice a year without the presence of executive directors and management of the Company.
- 7) The AC is encouraged to meet with the internal auditors at least once a year without the presence of executive directors and management of the Company.
- 8) The Secretary shall maintain minutes of the proceedings of the meetings and circulate such minutes to all members of the AC and the Board.

Authority

- 1) The AC shall, whenever necessary and reasonable for the performance of its duties and in accordance with a procedure to be determined by the Board and at the Company's cost:
 - a) have authority to investigate any matter within its terms of reference;
 - b) have the resources required to perform its duties;
 - c) have full and unrestricted access to any information pertaining to the Company or group;
 - d) have direct communication channels with external auditors and person(s) carrying out the internal audit function or activity;
 - e) be able to obtain independent professional or other advice; and
 - f) be able to convene meetings with external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.
- 2) The internal auditors shall report directly to the AC.

Functions/Responsibilities

1) Internal Audit

- a) 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.
- b) To review the internal audit plan, processes and the results of the internal audit assessments, investigation undertaken and whether or not appropriate actions are taken on the recommendations of the internal audit function.
- c) To review any appraisal or assessment of the performance of the internal audit function.
- d) To approve any appointment or termination of the internal auditors.

2) External Audit

- a) To discuss and liaise with the External Auditors to ensure the smooth implementation of the audit plan, review and forward the evaluation of the system of internal controls and audit report to the Board.
- b) To review the assistance given by employees of the Group to the External Auditors.
- c) To review and report the same to the Board any letter of resignation from the External Auditors of the Company as well as whether there is any reason (supported by grounds) to believe that the Company's External Auditors are not suitable for re-appointment.
- d) To assess the suitability, objectivity and independence of the External Auditors and makes its recommendations concerning the re-appointment of the External Auditors and their remuneration to the Board.
- e) To recommend the nomination of a person or persons as External Auditors of the Company.

3) Financial Reporting

To review quarterly report and annual financial statements prior to the approval of the Board, focusing particularly on:

- changes in or implementation of major accounting policy changes;
- significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions, and how these matters are addressed; and
- compliance with accounting standards and other legal requirements.

4) Related Party Transactions

To review any related party transactions and conflict of interest situation that arose, persist or may arise within the Company and the Group including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts.

5) Allocation of Options

To review and verify the allocation of options to employees under Company's Employees Share Option Scheme.

6) Listing Requirements

To report any breach of Listing Requirements, which have not been satisfactory resolved to Bursa Malaysia Securities Berhad.

7) Major Findings

To consider the major findings of internal investigations and management's response.

8) Other Matters

To consider other topics as defined by the Board.

AC Reports

1) The AC shall ensure its report is prepared at the end of each financial year.

2) The AC Report shall include the following:

- a) the composition of the AC, including the name, designation (indicating the Chairman) and directorship of the members (indicating whether the directors are independent or otherwise);
- b) the number of AC meetings held during the financial year end and details of attendance of each member;
- c) a summary of work of the AC in the discharge of its functions and duties for that financial year of the Company and how the AC has met its responsibilities;
- d) a statement in relation to the allocation of options pursuant to the Company's Employees Share Scheme;
- e) a breakdown of the options offered to and exercised (if any) by non-executive directors pursuant to the Company's Employees Share Option Scheme in respect of the financial year in tabular form;
- f) a summary of the work of the internal audit function; and
- g) a summary of any conflict of interest or potential conflict of interest situation reviewed by the audit committee pursuant to paragraph 15.12(1)(h) of the Listing Requirements of the Main Market of the Bursa Malaysia Securities Berhad (excluding a related party transaction), and the measures taken to resolve, eliminate, or to mitigate such conflicts.