



# **AME ELITE CONSORTIUM BERHAD**

Registration No. 201801030789 (1292815-W)

(Incorporated in Malaysia)

## **TERMS OF REFERENCE OF AUDIT AND RISK MANAGEMENT COMMITTEE**

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The terms of reference of our Audit and Risk Management Committee, amongst others, include the following:

- (i) Review with the external auditors, the audit scope and plan, including any changes to the scope of the audit plan;
- (ii) Ensure the internal audit function is independent of the activities it audits;
- (iii) Review the adequacy of the internal audit scope and plan;
- (iv) Review the external and internal audit reports to ensure that appropriate and prompt remedial action is taken by management on major deficiencies in controls or procedures that are identified;
- (v) Review major audit findings and management's response during the year with management, external auditors and internal auditors, including the status of previous audit recommendations;
- (vi) Review the assistance given by the Group's officers to the auditors, and any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information;
- (vii) Set policies and procedures to assess the suitability, objectivity and independence of the external auditors;
- (viii) Review the non-audit services provided by the external auditors and/or its network firms to the Group for the financial year;
- (ix) Review the appointment and performance of external auditors, the audit fee and any question of resignation or dismissal before making recommendations to the Board;
- (x) Review the risk profile of the Group (including risk registers) and the risk management team's plans to mitigate business risks as identified from time to time;
- (xi) Review the quarterly results and the year-end financial statements, prior to approval by the Board, focusing particularly on:
  - (a) changes in or implementation of major accounting policy changes;
  - (b) significant matters highlighted including financial reporting issues, significant judgments made by management, significant and unusual events or transactions, and how these matters are addressed; and
  - (c) compliance with accounting standards and other legal requirements.

- (xii) Review procedures in place to ensure that the Group is in compliance with the Act and Listing Requirements and other legislative and reporting requirements; and
- (xiii) Review any related party transaction and conflict of interest situation that arose, persist or may arise within the Group, including any transaction, procedure or course of conduct that raises questions on Management's integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts.

The Audit and Risk Management Committee and the Board adopted the terms of reference on 23 October 2018 and last reviewed it on 23 November 2023.

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