



AWANBIRU TECHNOLOGY BERHAD
[Reg. No. 201001038336 (922260-K)]
(Incorporated in Malaysia)

**TERMS OF REFERENCE OF
THE FINANCE AND INVESTMENT COMMITTEE**

Adopted as at 13 March 2025



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1. OBJECTIVE

The Finance and Investment Committee ("FIC") is established as a committee of AwanBiru Technology Berhad ("Awantec" or the "Company") to assist the Board of Directors (the "Board") of Awantec and its subsidiaries (the "Group") in fulfilling the following primary objectives, ensuring alignment with the Group's business strategy and long-term financial sustainability: -

1.1 Investment Oversight Function

- 1.1.1 To evaluate and provide recommendations on potential investments, acquisitions, divestments, joint ventures, and greenfield projects to ensure alignment with the Group's strategic and financial objectives.
- 1.1.2 To oversee and assess the performance of the Group's investment portfolio, ensuring effective risk management, optimized financial returns, and long-term value creation.
- 1.1.3 To review and provide guidance on due diligence processes for major investments, ensuring transparency, regulatory compliance, and financial prudence.

1.2 Financial Oversight Function

- 1.2.1 To monitor the Group's financial position, including capital structure, funding strategies, and asset optimization, to support sustainable growth and strategic investments.
- 1.2.2 To review and provide strategic input on financial forecasts, budgets, and resource allocation, ensuring alignment with the Group's investment priorities and long-term financial strategy, while working in coordination with the Audit Committee on financial oversight matters.

2. COMPOSITION AND APPOINTMENT

- 2.1 The FIC shall comprise at least three (3) members, appointed by the Board, with a majority being Independent Non-Executive Directors. Members shall hold office only as long as they serve as Directors of the Company.
- 2.2 The Committee shall elect a Chairman from among its members, who shall be an Independent Non-Executive Director. The Chairman shall lead discussions, ensure effective decision-making, and report key matters to the Board.
- 2.3 Any vacancy causing non-compliance with Clauses 2.1 or 2.2 must be filled within three (3) months.

- 2.4 The Board shall review the FIC's composition, term of office, and performance at least once every three (3) years to ensure that members effectively fulfill their responsibilities in accordance with this Terms of Reference.

3. RESPONSIBILITIES AND DUTIES

The duties and responsibilities of the FIC shall include the following: -

3.1 Strategy & Oversight

- 3.1.1 Develop, review, and recommend investment policies, strategies, and portfolio management frameworks to the Board, ensuring alignment with regulatory, governance, and risk management requirements.
- 3.1.2 Assess and recommend investment and divestment opportunities beyond regular business operations, including mergers, acquisitions, joint ventures, greenfield projects, and large capital expenditure projects.
- 3.1.3 Monitor the Company's investment portfolio, ensuring alignment with strategic objectives, risk-adjusted returns, and long-term financial sustainability.

3.2 Investment and Project Evaluation

- 3.2.1 Evaluate and recommend investment projects, strategic partnerships, and procurement exercises that align with the Company's long-term financial and growth objectives.
- 3.2.2 Ensure that project assessments incorporate financial viability, operational feasibility, and risk considerations before making recommendations to the Board. **Matters involving equity participation shall be reserved for Board deliberation.**

3.3 Funding and Financial Oversight

- 3.3.1 Provide strategic recommendations on capital structure, financing strategies, and investment allocations to support financial sustainability and risk management.
- 3.3.2 Assess major funding and investment proposals before recommending them to the Board for approval.

- 3.3.3 Oversee the Group's capital allocation strategies, ensuring optimal financial stability, alignment with sustainability goals, and adherence to risk-adjusted return expectations.

3.4 Performance Monitoring & Compliance

- 3.4.1 Review periodic investment performance reports, ensuring alignment with corporate objectives, data-driven decision-making, and timely strategy adjustments.
- 3.4.2 Oversee the implementation and effectiveness of investment policies, ensuring regulatory compliance, risk identification, and necessary improvements.

3.5 Other Duties

- 3.5.1 Undertake additional responsibilities delegated by the Board, ensuring effective oversight and strategic input.

4. AUTHORITY OF THE FINANCE AND INVESTMENT COMMITTEE

- 4.1 The FIC with the authorisation by the Board shall, wherever necessary and reasonable to perform its responsibilities and duties, in accordance with a procedure to be determined by the Board and at the cost of the Company to perform the following: -
 - 4.1.1. Have the authority to review and assess the Company's financial strategies, investment proposals, and capital allocation decisions within its terms of reference;
 - 4.1.2 Have full and unrestricted access to financial data, reports, and any other relevant information from Management or external parties to facilitate informed decision-making on financial and investment matters;
 - 4.1.3. Have full and unrestricted access to the Company's financial records, reports, and documentation, with all relevant employees required to comply with the FIC's requests for financial assessments and due diligence purposes;
 - 4.1.4. Have the authority to obtain external professional advice, including appointing financial advisors, consultants, or other experts as necessary, and to secure the attendance of external parties with relevant expertise when required;

- 4.1.5. Have the discretion to approve the appointment of external professional advisors, consultants, or other experts, provided that the cost of such appointments does not exceed RM250,000.00 in any single instance. For appointments exceeding this threshold, prior approval from the Board shall be required;
- 4.1.6. Provide recommendations to the Board on matters within the FIC's scope of responsibilities, including investment policies, financial strategies, major funding proposals, and any other material financial or investment matters requiring Board approval;

5. CONFLICT OF INTERESTS

- 5.1 Any member of the FIC shall:
 - 5.1.1 Declare any actual or potential conflict of interest in relation to matters being deliberated by the Committee. The Committee shall assess and manage the conflict accordingly, and where necessary, escalate material conflicts to the Board for further guidance.
 - 5.1.2 Abstain from attending and voting at meetings where such conflicted matters are being discussed.
- 5.2 The responsibility to declare an interest or conflict rests with the Committee member concerned.
- 5.3 For the purpose of this section, a "conflict of interest" arises in the following circumstances: -
 - 5.3.1 When a member has a direct or indirect interest in a transaction or arrangement under consideration by the Committee.
 - 5.3.2 When a member holds a directorship or significant position in another entity that is involved in a transaction or arrangement with the Company;
or
 - 5.3.3 When a member is connected to a key individual within a potential investee company, including relationships such as spouse, parent, child (including adopted and stepchildren), sibling, or the spouse of their child, sibling, or parent.
- 5.4 In the event of any uncertainty regarding a conflict of interest, the Committee, led by the Chairperson, shall determine its existence by majority consensus.

- 5.5 The Board shall provide oversight on declared conflicts and may recommend additional measures to mitigate risks and uphold the Company's best interests.

6. MEETINGS

6.1 Frequency

6.1.1 The FIC shall meet at least once each year as and when required, to be determined by the Chairman or Chairperson of the FIC.

6.1.2 By invitation of the FIC, the Company shall ensure that relevant directors, Management, employees, and/or external parties attend meetings as required for matters related to a specific meeting.

6.2 Quorum

6.2.1 The meeting shall have a quorum of two (2) members, one (1) of whom shall be an Independent Non-Executive Director.

6.2.2 In the absence of the Chairman or Chairperson of the FIC, the members present shall elect a Chairman or Chairperson from amongst them to chair the meeting.

6.3 Secretary

6.3.1 The Company Secretary or another designated senior official shall act as the Secretary of the FIC and, in coordination with the Chairperson, shall be responsible for preparing the agenda and circulating it, along with the necessary supporting documentation, to members prior to each meeting.

6.4 Meeting Minutes

6.4.1 The Company Secretary shall be responsible for recording and maintaining the minutes of FIC meetings, including the names of attendees, and circulating them to FIC members and the Board.

6.4.2 The minutes shall be distributed to FIC members and approved by the Chairperson of the meeting at which the proceedings were held or by the Chairperson of the subsequent meeting.

6.4.3 Relevant members of Management shall receive the minutes and Matters Arising for follow-up on key actions.

6.5 Meeting Mode

- 6.5.1 Meetings of the FIC shall, by default, be held physically to facilitate effective and efficient discussions. However, under certain circumstances, meetings may be conducted via teleconference, videoconference, or other appropriate means, as determined by the FIC.
- 6.5.2 A person participating remotely shall be deemed present in person and counted toward the quorum accordingly.

6.6 Voting

- 6.6.1 All resolutions of the FIC shall be passed by a simple majority vote, with each member entitled to one (1) vote.
- 6.6.2 An FIC member shall abstain from deliberations and voting on any matter that may give rise to an actual or perceived conflict of interest. The nature and extent of the conflict must be recorded in the minutes.
- 6.6.3 In the event of a tie, the Chairperson shall have a casting vote to determine the outcome of the resolution. However, if the Chairperson is the abstaining member due to a conflict of interest, the remaining two members shall escalate the matter to the Board for decision.

6.7 Decisions by Circular Resolutions

- 6.7.1 A resolution in writing, whether signed digitally or by hand, or approved via letter or other written electronic communication by a majority of members sufficient to form a quorum, shall be deemed valid and effective as if passed at a meeting.
- 6.7.2 All such resolutions shall be promptly forwarded or delivered to the Company Secretary, who shall record them in the minutes book without delay.
- 6.7.3 A written resolution may comprise multiple documents in identical form, each signed by one (1) or more members.

6.8 Notice and Agenda

- 6.8.1 Meetings of the FIC shall be called by the Company Secretary at the request of the FIC Chairman or Chairperson.

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- 6.8.2 Unless otherwise agreed, reasonable notice of each meeting confirming the venue, time, and date together with an agenda of items to be discussed, shall be forwarded at least five (5) working days prior to the meeting held to each member of the FIC and any other person required to attend.
- 6.8.3 The FIC Chairman or Chairperson shall be responsible for setting the meeting agenda, with input from other members. Where necessary, input from relevant individuals may also be incorporated. The Company Secretary shall assist in the agenda preparation process.
- 6.8.4 Supporting papers shall be distributed to FIC members and other attendees, as appropriate, at the same time as specified in item 6.8.2.
- 6.8.5 The notice of each meeting shall be served to members personally or via fax, email, post, or courier to their registered address as recorded in the Register of Directors or to an address provided by the respective FIC member.

6.9 Attendance of General Meeting

- 6.9.1 The FIC Chairman or Chairperson, or in their absence, a designated FIC member nominated by the Chairman or Chairperson, shall attend general meetings to address shareholder questions regarding the Committee's activities.

7. REVIEW OF THE TERMS OF REFERENCE

The Terms of Reference shall be reviewed periodically by the FIC to ensure continued relevance and alignment with the Company's needs, regulatory requirements, and best practices. A review shall be conducted at least once every three (3) years or earlier if necessitated by changes in applicable laws, regulations, or governance standards. Any proposed revisions shall be presented to the Board for approval.