



(Company No. 809759-X)  
(Incorporated in Malaysia)

## **EXTERNAL AUDITORS ASSESSMENT POLICY**

### **1. INTRODUCTION**

The Audit Committee (“AC”) of Datasonic Group Berhad (“the Company”) is responsible to review, assess and monitor the performance, suitability and independence of the External Auditors.

It is also important that the AC has a formal process to evaluate annually on the effectiveness and efficiency of the External Auditors. This evaluation of the External Auditors provides the AC with a disciplined approach for maintaining an effective oversight of the External Auditors’ responsibilities, performance and competencies.

### **2. SELECTION AND APPOINTMENT OF EXTERNAL AUDITORS**

The AC plays a principle key role in reviewing the scope and results of the external audit function together with elements of independence and objectivity of the External Auditors. The AC is responsible for recommending to the board on the appointment, reappointment and removal of the Company’s External Auditors, although the shareholders are essentially the party appointing the External Auditors.

Some of the criteria to be considered in the selection and appointment of External Auditors include:

- Calibre and suitability of External Audit Firm
- Quality Processes / Performance based on international auditing standards or practices
- Competencies of Audit Team
- Independence and Objectivity
- Audit Scopes and Planning in line with best practices
- Audit Communication

### **3. WRITTEN ASSURANCE FROM EXTERNAL AUDITORS ON THE PROFESSIONAL QUESTION OF INDEPENDENCE**

The AC to obtain a written assurance from the External Auditors confirming that they are, and have been, professionally independent throughout the conduct of the audit engagement in conformity with all relevant regulatory requirements and practices.

**4. AUDIT AND NON-AUDIT SERVICES FEES**

The AC is tasked with the role of ensuring that the audit fees payable to the External Auditors are fair and realistic in terms of complexity and the size of the audit.

The AC is also obligated to examine the nature of the non-audit services and the related fees rendered by the external auditors with the purpose of ensuring the undertaking of such non-audit services will not in any way impact the EA's professional independence. To this end, the AC is guided specifically by the By-Laws (on Professional, Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code").

**5. REVIEW**

The AC shall conduct a review of the policy periodically to ensure that it continues to remain relevant and appropriate.