

**CITAGLOBAL BERHAD**  
[Registration No. 200401027590 (666098-X)]  
(Incorporated in Malaysia)

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

**(Updated and approved on 1 June 2023)**

**1. Objectives**

The principle objectives of the Finance and Investment Committee (“**the FIC**”) are as follows:

- (i) To review and recommend to the Board:
  - ▶ Discretionary capital expenditure exceeding RM2.0 million as proposed by companies within the Group;
  - ▶ all acquisitions, investments and divestments of companies exceeding RM2.0 million and setting up of new material business (including joint ventures but excluding pre-bid joint venture and/or consortium agreements, non-binding Memorandums i.e. Memorandum of Business Exploration, Memorandum of Understanding etc.); and
  - ▶ the corporate strategy and planning, and investment matter for the Group.
- (ii) Advise Management on suitable plans in respect of future investments.

**2. Composition of members**

The members of the FIC shall comprise at least three (3) individual members, with one (1) of the members must be the Executive Chairman of the Company.

**3. Chairman**

The members of the FIC shall elect the Executive Chairman as the Chairman of the FIC. In the absence of the Chairman of the FIC, the members present shall amongst themselves elect a Chairman to chair the meeting.

**4. Secretary**

The Secretary of the FIC shall be the Company Secretary of the Company and/or any such persons appointed by the FIC.

**5. Meetings**

The FIC may meet together for the despatch of business, adjourn and otherwise regulate their meetings, as and when the need arises. The Chairman may call for meetings at any time at the Chairman’s discretion.

(Terms of Reference of the Finance and Investment Committee – cont'd)

The Secretary shall on the requisition of the members of the FIC summon a meeting of the FIC except in the case of an emergency, reasonable notice of every FIC meeting shall be given in writing.

All meetings must be chaired by the Chairman. In the absence of the Chairman, the members can elect from amongst themselves as the Chairman for the Meeting.

All decisions at a FIC meeting shall be by way of a simple majority vote of the Chairman and the members. In the event of a stalemate, the Chairman of the meeting shall have a casting vote (except where two (2) directors form the quorum).

Members of the FIC must declare and abstain from meetings where their presence may cause any conflict of interest.

A member of the FIC may participate in a meeting of the FIC by means of a telephone conference or video conference or any other means of audio-visual communications and the person shall be deemed to be present in person at the said meeting and shall be entitled to vote or be counted in a quorum accordingly.

The FIC shall have access to such information and advice, both from within the Group and externally, as it deems necessary or appropriate in accordance with the procedures determined by the Board and at the cost of the Group. The FIC may request other directors, members of management, counsels or consultants to participate in FIC meetings, as necessary. Non-committee directors and members of Management in attendance may be required to leave the meetings of the FIC when the Chairman so request.

**6. Circular Resolution**

A resolution in writing signed by all the FIC members for the time being entitled to receive notice of a meeting of the FIC, shall be as valid and effectual as if it had been passed at a meeting of the FIC duly convened and held. Any such resolution may consist of several documents in like form each signed by one (1) or more of the FIC members. Any such document may be accepted as sufficiently signed by a member if transmitted to the Company by telex, telegram, cable, facsimile or other electrical or digital written message to include a signature of a member.

**7. Minutes**

Minutes of the FIC Meeting shall be kept at the registered office and shall be distributed to all the FIC members and also to the other members of the Board. The minutes shall be approved by the Chairman of the meeting at which the proceedings are held or by the Chairman of the next succeeding meeting. The FIC, through its Chairman, shall update the Board on the activities undertaken by the FIC at each Board meeting.

**8. Quorum**

A quorum shall consist of two (2) members.

(Terms of Reference of the Finance and Investment Committee – cont'd)

**9. Reporting Structure**

The Chairman of the FIC will report formally to the Board on the key aspects of its proceedings of their meeting(s) at the next Board Meeting.

The Chairman of the FIC shall respond to any questions relating to the Committee's activities at the Annual General Meeting, where required.

**10. Authority**

The FIC shall, at the expense of the Company:-

- (a) consider and recommend to the Board, investment decisions (non-related to diversification from its current businesses) at its discretion from time to time as it deems appropriate and in the best interest of the Group;
- (b) establish, review and recommend to the Board, the overall investment policies, guidelines and portfolio requirements of the Group;
- (c) have authority to implement the investment policies adopted by the FIC on all investment-related matters;
- (d) secure the resources in order to perform its duties as set out in its terms of reference;
- (e) have direct communication channels with and unrestricted access to Management including without limitation, its information, records, reports, properties and personnel; and
- (f) obtain external legal or other independent professional advice as necessary.

**11. Duties and Responsibilities**

The duties and responsibilities of the FIC are as follows:-

11.1 Finance

- (a) To review and recommend to the Board of Directors the Group's strategic plan and budget;
- (b) To review and approve all discretionary capital expenditure in excess of RM2.0 million as proposed by companies within the Group; and
- (c) To review the post-expenditure review of the investment proposal, capital expenditures and projects approved by the Board of Directors at least eighteen (18) months upon commencement of the projects.

11.2 Investment

(Terms of Reference of the Finance and Investment Committee – cont'd)

- (a) To invest up to the prescribed amount as determined by the Board from time to time;
- (b) To evaluate and recommend to the Board, proposals on new investments and divestments of amount exceeding the pre-approved limit for the Board's approval;
- (c) To provide input on the valuation of the proposed investments/ divestments taking into account compliance with the Investment Policy, risk management analysis, findings of the due diligence and written report from external advisers, as applicable;
- (d) To act in line with the directions of the Board of Directors and to update the Board on the dealings, if any;
- (e) To review and approve all acquisition and disposal of the Company's land and properties as proposed by companies within the Group, up to RM2.0 million;
- (f) To review and recommend to the Board of Directors all acquisitions, investments and divestments of companies exceeding RM2.0 million and setting up of new material business (including joint ventures but excluding pre-bid joint venture and/or consortium agreements, non-binding Memorandums i.e. Memorandum of Business Exploration, Memorandum of Understanding, etc.);
- (g) To monitor and provide oversight on the progress of investment proposals, capital expenditure and projects including capacity utilisation, productivity and efficiency measures, as approved by the Board of Directors;
- (h) To monitor and comply with the Anti-Bribery & Corruption Policy and Procedure of the Group; and
- (i) To consider and examine such other matters as the FIC considers appropriate.

**12. Review of the Terms of Reference**

The Terms of Reference shall be reviewed and updated by the FIC on a periodic basis as it deems appropriate for the Board to approve. Such review shall be in line with any regulations that may have an impact on the discharge of the FIC's responsibilities.