

Report of the Finance and Investment Committee

The Board is pleased to issue the following report of the Finance and Investment Committee and its activities during the financial year ended 31 December 2011.

COMPOSITION OF FINANCE AND INVESTMENT COMMITTEE AND MEETINGS

The Committee shall have a minimum of three (3) members, all of whom are Non-Executive Directors. The quorum for the Committee shall be two (2) members. In the absence of the Chairman of the Committee, the members present shall elect one of their number to chair the meeting. The Secretary of the Committee shall be the Group Company Secretary. Following the resignation of Dr. Leong Chik Weng from the Committee on 8 February 2012, the current composition of the Committee stands at three (3) members.

A total of eight (8) meetings were held during the year. The status of directorship and attendance record of each of the members during the financial year are as follows:-

Name of Directors and Status	No. of Meetings Attended
Datuk Karownikaran @ Karunakaran A/L Ramasamy Chairman, Independent Non-Executive Director (appointed w.e.f. 10/01/2011)	8/8
Professor Dato' Ir. Dr. Zaini bin Ujang Member, Non-Independent Non-Executive Director (appointed w.e.f. 10/01/2011)	8/8
Dato' Azmi bin Mohd. Ali Member, Non-Independent Non-Executive Director (appointed w.e.f. 10/01/2011)	8/8
Dr. Leong Chik Weng Member, Independent Non-Executive Director (resigned w.e.f. 08/02/2011)	7/8

TERMS OF REFERENCE

- i. To review and recommend to the Board of Directors the Group's operational plan and budget;
- ii. To review and approve all capital expenditure in excess of RM1 million and up to RM20 million as proposed by companies within the Group;
- iii. To review and recommend to the Board of Directors all capital expenditure in excess of RM20 million as proposed by companies within the Group;
- iv. To review and approve all acquisition and disposal of company's assets and properties in excess of RM1 million and up to RM20 million as proposed by the companies within the Group;
- v. To review and recommend to the Board of Directors all acquisition and disposal of company's assets and properties in excess of RM20 million as proposed by the companies within the Group;
- vi. To review and recommend to the Board of Directors all acquisitions and divestments of companies (excluding dormant companies) and setting up of new business, irrespective of value;

vii. To consider other matters as referred to the Committee by the Board.

ACTIVITIES DURING THE FINANCIAL YEAR

During the year, the Committee reviewed, approved and recommended to the Board of Directors:-

- i. The operational plan and budget for the year;
- ii. The Group's strategies and internal restructuring;
- iii. Expenditures and investment proposals in relation to replacement of parts i.e, plants/ new machines, construction of related plant facilities as well as new projects undertaken within the Group;

iv. Acquisition and disposal of the Group's assets and properties as proposed by the companies within the Group;

v. Funding requests by entities within the Group;

vi. Frameworks on mergers and acquisitions and international business expansion;

vii. The proposed amendments to the Terms of Reference of the Committee;

viii. Divestments of investments.

The Committee also monitored during the year the progress of investment proposals, capital expenditures and projects approved by the Board of Directors as well as considered other matters as referred to by the Board.