

LII HEN INDUSTRIES BHD
(Company No.:199401015681 / 301361-U)

INVESTMENT FRAMEWORK

Investment Framework

The Audit Committee shall:

- review and recommend to the Board, any proposed investments and divestments, including their funding requirements. Proposals on new investments and divestments, include and is not limited to existing and new merger and acquisitions, and acquisitions of land and buildings;
- review and recommend due diligence expenses for investment in or acquisition of businesses, companies, land and buildings, within limits set out by the Board.
- review and make appropriate recommendations to the Board on all investments and divestments or for investments that do not fall under the main core businesses of LHIB Group;
- review Group's capital expenditure of amount exceeding RM0.5 million which is outside the ordinary course of business; and
- ensure the procedures as described in Chapter 10 of the Listing Requirements of Bursa Malaysia are properly complied with for any proposed investment and divestment with related party.

The Audit Committee shall have:

- full access to independent professional advice and expertise necessary for the performance of its duties;
- the resources, which are required to perform its duties;
- in discharging its duties, shall at all times be mindful of the provision of all applicable laws, regulations and guidelines; and
- ensure all members of the Committee shall maintain their independence and shall not be involved in the investment/divestment process, namely due diligence, and negotiations with buyers/sellers. In the event a site visit by the Committee as a whole is necessary for its decision making, the Committee shall escalate its request to the Board for approval.

All recommendations and findings of the Audit Committee shall be submitted to the Board for approval.

The actual decision pertaining to the investment shall be the responsibility of the Board after considering the recommendations of the Audit Committee.