



**MICROLINK SOLUTIONS BERHAD**  
**[Registration No. 200301018362 (620782-P)]**

**TERMS OF REFERENCE OF  
EXECUTIVE COMMITTEE**

## **TERMS OF REFERENCE**

### **1. EXECUTIVE COMMITTEE**

- 1.1 Pursuant to a resolution passed by the Board of Directors of Microlink Solutions Berhad (“MSB”) (“Board”) at its Board meeting held on 20 August 2013, the Board has resolved that an Executive Committee (“the EXCO”) be established. This document (“Terms of Reference”) be hereby adopted to govern the powers and scope of authority of the EXCO and the performance of its duties and obligations in accordance with the terms and conditions of this Terms of Reference.

### **2. OBJECTIVES OF THE EXCO**

- 2.1 The objectives of the EXCO are to manage generally the business and the day to day operations of MSB including its subsidiary companies (collectively “the Group”) specifically to:
- Implement the strategies and policies of the Group;
  - Devise and ensure the achievement of the strategic intent for the Group and direct and monitor performance processes within the Group;
  - Evaluate and recommend to the Board any potential strategies and policies which are not within the authority delegated to the EXCO; and
  - Make decisions, or to establish the basis on which all decisions are taken, other than those matters specifically reserved for the Board or other Board Committees.

### **3. SCOPE OF AUTHORITY**

- 3.1 The EXCO shall be authorised and responsible for the day to day management, operational affairs and conduct of business of the Group as approved by the Board in the Business Plan of the Group and providing recommendations to the Board, advice and guidance to the respective Chief Executive Officer (“CEO”) / Heads of Companies / Finance Manager in respect of overall management policy guidelines, and for undertaking all other actions as the EXCO considers necessary, in its best commercial judgement, for the proper performance and development of the commercial objectives of the Group.
- 3.2 The EXCO shall exercise all its powers within and in accordance with any limits of authority delegated by the Board and as may be approved, varied or revised by the Board from time to time (“Limits of Authority”).
- 3.3 The EXCO shall further undertake all other matters and perform all functions as shall be delegated to the EXCO by the Board from time to time.

### **4. POWERS AND AUTHORITY OF THE EXCO**

- 4.1 The EXCO shall have all the powers delegated to it by the Board, which are required and necessary for the purpose of carrying out its obligations and duties in accordance with these Terms of Reference, the Articles of Association of MSB, the Companies Act, 1965 (as amended from time to time), any other relevant statute, guidelines, rules and regulations that may be issued by regulatory bodies or authorities applicable to the Group and any regulations or restrictions that may be imposed upon the EXCO by the Board from time to time.
- 4.2 Without prejudice to the generality of the foregoing, the EXCO shall, inter alia, have the following powers:
- (i) provide guidance and advice to the respective CEO and/or the Head of Companies in connection with the day to day management, operational affairs and conduct of business of the Group as approved by the Board in the Business Plan of the Group;
  - (ii) review the Group's business plan (long term objectives and strategies and annual business plan) as formulated by the respective CEO and/or the Head of Companies from time to time, including annual operating plans (AOP), annual capital expenditure (CAPEX) budget, annual operating expenditure (OPEX) budget, or any revisions thereto, any additional CAPEX or OPEX budgets not previously budgeted for, and review any changes relating to the Group's capital structure and management structure, and put forth its recommendations to the Board;
  - (iii) review any strategic and significant development projects as may be proposed by the respective CEO and/or the Head of Companies, including participation in local and regional joint ventures as well as mergers and acquisitions which are consistent with the Group's Business Plan, and put forth its recommendations to the Board;
  - (iv) review and provide recommendations to the Board on any business development opportunities, including new business or activities which are of synergistic value to the Group's current business;
  - (v) Review the organisational structure of the Group and making recommendations for change;
  - (vi) optimise the allocation and adequacy of the Group's resources;
  - (vii) prioritise the allocation of capital, technical and human resources of the Group;
  - (viii) oversee senior management appointments and monitor senior management performance of the Company and the Group's affairs, succession planning and continuing Group-wide employees development programme, including training, evaluation procedures, employment conditions and reward and recognition practices; and

- (ix) make any recommendations as the EXCO shall consider to be in the best commercial interests of the Group, for the consideration of the Board.

## **5. COMPOSITION OF THE EXCO**

- 5.1 The EXCO shall comprise three (3) members nominated by the Board of MSB.
- 5.2 The members of the EXCO shall elect a Chairman from among their number. In the absence of the Chairman, any other EXCO member may chair the Meeting.
- 5.3 A person shall automatically cease to be a member of the EXCO if he or she, as the case may be:
  - (i) resigns his/her capacity as an EXCO member by prior written notice to the Board; and
  - (ii) ceases to be an employee of the Group;
- 5.4 The Company Secretary of MSB, or in his/her absence, such other competent person as the EXCO shall appoint, shall be the Secretary of the EXCO.

## **6. CONDUCT OF MEETINGS**

- 6.1 The EXCO shall meet as often as necessary as requested by any member of the EXCO.
- 6.2 The Chairman of the EXCO, or the Secretary of the EXCO, on the requisition of any member of the EXCO, shall at any time summon a meeting of the EXCO.
- 6.3 No business shall be transacted at any meeting of the EXCO unless a quorum is present. The quorum of the EXCO shall be the majority of the EXCO members.
- 6.4 Attendance at a meeting may be by being present in person or by participating in the meeting by means of video or teleconference.
- 6.5 Any person other than the EXCO members may attend any Meeting as determined necessary by the EXCO or as invited by the Chairman. Invitees however, shall not be entitled to vote at the Meeting.
- 6.6 A resolution in writing, signed by a majority of the members for the time being entitled to receive notice of the Meeting of the EXCO, shall be as valid and binding as if it has been passed at a meeting of the EXCO duly convened and quorate, provided that all members have been given a reasonable opportunity to consider such resolutions. Any such resolution may consist of several documents in like form, each signed by one or more members of the EXCO.

**7. NOTICES, MINUTES**

- 7.1 Notice of a meeting upon the requisition of any member of the EXCO shall be served on each member by the Secretary at least three (3) days before the date of such meeting unless otherwise agreed by the members, save in the case of emergency where a meeting may be called by giving reasonable notice. The notice shall set out the agenda of issues to be considered and resolved at such meeting.
- 7.2 The Secretary of the EXCO shall cause minutes of the meeting to be recorded and its draft circulated to all members of the EXCO for comments before finalising it for the following meeting. Such minutes shall be signed by the Chairman present at the following meeting.
- 7.3 Minutes of each shall be kept at the registered office of the Company under the custodian of the Company Secretary. The Minutes shall be open for the inspection of the Board, external auditors, internal auditors, Management and other persons deemed appropriate by the Company Secretary.

**8. DELEGATION**

The EXCO may delegate its authority on such terms as it thinks fit to its Executive Sub-Committees.

**9. REPORTING PROCEDURE**

The EXCO shall regularly report to the Board on the matters discussed.