

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**Board**”) of Titijaya Land Berhad (“**Titijaya**” or “**Company**”) recognises the importance of good corporate governance and are committed towards upholding high standards of corporate governance for long-term sustainable business and corporate development, and to continuously protect and enhance shareholders’ value.

The Board is pleased to present this Corporate Governance Overview Statement (“**Statement**”) to provide shareholders and investors with an overview of the corporate governance practices of the Company under the leadership of the Board during the financial year ended 30 June 2018. This overview summarises the application by the Company of the Principles and Recommendations of the Malaysian Code on Corporate Governance (“**MCCG**”).

The detailed explanation on the application of corporate governance practices are reported under the Corporate Governance Report which is available on the Company’s website at www.titijaya.com.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

BOARD ROLES AND RESPONSIBILITY

The Board leads the Group and plays a strategic role in overseeing the Group’s corporate objective, directions and long-term goals of the business. The Board is responsible for oversight and overall management of the Company.

To ensure the effective discharge of its functions and responsibilities, the Board has delegated specific responsibilities to the Audit Committee, Nomination Committee, Remuneration Committee and Board Risk Management Committee. Each of the Committees is entrusted with specific responsibilities to oversee the Company’s affairs, in accordance with their respective written Terms of Reference. The Chairman of the respective Committees shall report the outcome of their meetings to the Board. Minutes of all Board Committee meetings are circulated to the Board members so that they are kept abreast of proceedings and matters discussed at Board Committee meetings.

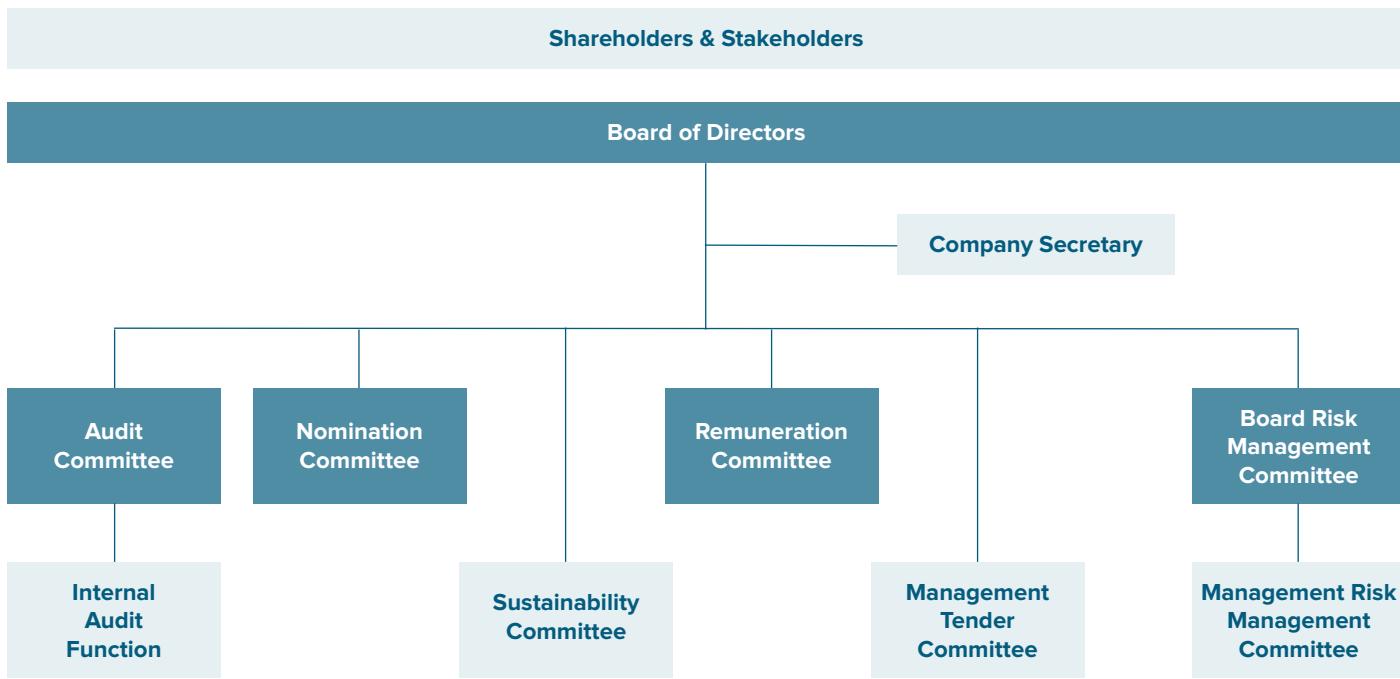
The Board is primarily entrusted with the responsibility of charting the direction of the Group and focuses mainly on strategies, financial performance and critical business issues, including the following areas:-

- Reviewing the Group’s strategic action plans particularly promoting sustainability and policies;
- Overseeing the conduct of the Group’s business to ensure that it is being properly managed;
- Identifying principal risks of the business and ensuring the implementation of appropriate systems to manage these risks;
- Appointing, training, fixing the compensation of and where appropriate, replacing senior management;
- Succession planning;
- Developing and implementing investor relations programmes and shareholder communications policy for the Company;
- Reviewing the adequacy and the integrity of the Group’s system of internal control, risk management framework and management information systems, including systems for compliance with application laws, regulations, rules, directives and guidelines; and
- Responsible for the preparation of the Company’s financial statements.

The reporting structure of the Company where the power of the Board is delegated to the relevant Board Committees and the Management of the Company, as depicted below:-

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Independent Non-Executive Directors provide unbiased and independent views in ensuring that the strategies proposed by the Management are fully deliberated and examined objectively, taking into perspective of the long-term interest of shareholders, other stakeholders and communities at large.

The Executive Directors take on primary responsibility for implementing the Group's business plans and managing the business activities.

Any material and important proposals that will significantly affect the policies, strategies, directions and assets of the Group will be subjected to the Board's approval. Key matters reserved for the Board's approval includes dividend, related party transactions, new ventures and investment, material acquisition and disposal of assets which are not in the ordinary course of business of the Company.

ROLES OF THE CHAIRMAN AND GROUP MANAGING DIRECTOR

The Board is led by Laksamana Tan Sri Dato' Setia Mohd Anwar Bin Hj Mohd Nor (Retired) as the Independent Non-Executive Chairman. Tan Sri Dato' Lim Soon Peng and Lim Poh Yit are the Group Managing Director and Deputy Group Managing Director of the Company, respectively.

The roles of the Chairman and the Group Managing Director are separately held by different individuals and the division of their responsibilities is clearly established, with each having distinct and clearly defined authority and responsibilities. This is to ensure there is an appropriate balance of roles, responsibilities and accountability at the Board level.

The Chairman plays an important leadership within the Group and is responsible for:-

- Setting the agenda for meetings of the Board and focus on strategic direction and performance
- Maintaining on-going dialogue and relationship of trust with and between the Directors and Management

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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- Ensuring clear and relevant information is provided to Directors in a timely manner
- Ensuring sufficient time is allowed for the discussion of complex or critical issues

The Board delegates the authority and responsibility of managing the day-to-day affairs of the Group to the Group Managing Director, and through him and subject to his oversight, to other Senior Management.

The Board recognises the crucial role and contribution played by Independent Non-Executive Directors. They represent the element of objectivity and independent judgement of the Board. This ensures that there is sufficient check and balance so that no one or particular group dominates the Board.

COMPANY SECRETARIES

The Board is supported by qualified Company Secretaries in carrying out its roles and responsibilities. The Company Secretaries play an advisory role to the Board in relation to the Company's Constitution, Board policies and procedures and compliance with the relevant regulatory requirements, code of guidance and legislations.

The Company Secretary attends and ensures Board and Board Committee meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are taken and maintained at the registered office of the Company. Nevertheless the Board does not have any agreed procedure for Directors whether as a full Board or in their individual capacity, in furtherance of their duties to take independent professional advice at the Company's expenses, if necessary. Any need for professional advice normally comes under the purview of the Board who will deliberate on a consensual basis.

BOARD MEETING AND ACCESS TO INFORMATION

To ensure effective conduct of Board meetings, a structured formal agenda and Board meeting papers relating to the agenda including progress reports on operations, quarterly results of the Group and the Company, financial and corporate proposals and minutes of the Board Committees are circulated to all Directors prior to each Board meeting. The Directors are thus given sufficient time to peruse the matters that will be tabled at the Board meetings to enable them to participate in the deliberations of the issues to be raised and to make informed decisions.

Where a potential conflict arises in the Group's investments, projects or any transactions involving Director's interest, such Director is required to declare his interest and abstain from further discussion and the decision making process.

Where necessary, members of senior management and external advisers are invited to attend Board meetings to furnish additional insights and professional views on specific items to be tabled for the Board's consideration.

Minutes of the Board and Board Committee meetings are circulated to Directors for their perusal prior to confirmation of the Minutes at the following Board and Board Committee Meetings. The Directors may request for further clarification or raise comments on the Minutes prior to confirmation of the Minutes to be tabled at the respective Board Committee meetings as the correct records of the proceedings.

In exercising Directors' duties, the Board has access to all information within the Company, the advice and services of the Company Secretary and independent professional advice where necessary, at the Company's expense.

TIME COMMITMENT

The Directors are required to allocate sufficient time to the Company to discharge their responsibilities effectively, including adequate time to prepare for Board and Committee meetings and in joining visits to the Group's operational sites.

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Board and Board Committee meetings are scheduled at the onset of the calendar year and an annual corporate calendar with an indication of the key business items for each meeting is circulated to all Directors, to facilitate the Directors' time planning.

The Board met five (5) times during the financial year ended 30 June 2018, where it deliberated upon and considered a variety of matters including the Group's financial results, major investments and strategic decisions, the business direction of the Group, related party transaction and corporate governance matters. The Board also notes the decisions, recommendations and issues deliberated by the Board Committees through the minutes of these committees.

In the interval between Board meetings, any matter requiring urgent Board decision and/or approvals will be sought via circular resolutions which are supported with all the relevant information and explanations required for an informed decision to be made.

The details of attendance of each Director for the financial year ended 30 June 2018 are as follows:-

Name of Directors	Number of Meetings Attended
Laksamana Tan Sri Dato' Setia Mohd Anwar Bin Hj Mohd Nor (<i>Retired</i>)	5/5
Tan Sri Dato' Lim Soon Peng	5/5
Lim Poh Yit	5/5
Lim Puay Fung	5/5
Chin Kim Chung	5/5
Datuk Seri Ch'ng Toh Eng	5/5
Tan Sri Syed Mohd Yusof Bin Tun Syed Nasir	4/5
Datuk Nozirah Binti Bahari <i>(Appointed on 25 September 2017)</i>	4/4

BOARD CHARTER

The Board Charter provides guidance to the Board in the fulfilment of its roles, duties and responsibilities which are in line with the principles of good corporate governance.

The Board Charter is made available on the Company's website at www.titijaya.com.my and will be reviewed when necessary to ensure the Charter remains consistent with the Board's objectives, current law and practices.

CODE OF CONDUCT AND ETHICS AND WHISTLEBLOWING POLICY

The Board observes the Company Directors' Code of Ethics promulgated by the Companies Commission of Malaysia, which governs the underlying core ethical values and commitment to lay standards of integrity, transparency, accountability and corporate social responsibility in our behaviour in our business dealings.

In line with the Whistleblower Protection Act 2010, a Whistleblowing Policy has been established to allow employees, stakeholders, contractors and any individuals to disclose any misconduct or malpractice on a confidential basis so as to allow appropriate remedial action to be taken. The policy is also to reinforce the Group's commitment to its policies and values and to develop a culture of openness, accountability and integrity within the Group.

The policy can be viewed on the Company's website at www.titijaya.com.my.

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STRATEGIES TO PROMOTE SUSTAINABILITY

The Board is mindful of the importance of building a sustainable business and is committed to the promotion of best practice principles in this regard. The Board recognises that enhancing sustainability is a long-term commitment and therefore takes into consideration of the environmental, social and governance impact when developing the corporate strategy.

The Group is committed to provide a safe workplace for its employees with emphasis on best practice in health, safety and environment and conducting its business in a way that is environmentally sound. The Group is also committed to protect the environment through conscientious efforts to ensure pollution levels are kept to a minimum in respect of its construction works. The Group also aims to eliminate all occupational injuries, prevent pollution at its source and optimises the use of natural resources.

BOARD COMPOSITION

The Board consists of nine (9) Directors, comprising three (3) Independent Non-Executive Directors, three (3) Executive Directors, two (2) Non-Independent Non-Executive Directors and one (1) Alternate Director. This Board composition complies with Paragraph 15.02 of the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), which requires at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, to be independent. The profiles of each Directors are set out in the Directors’ Profile in this Annual Report.

The Board consists of qualified individuals of different range of skills, experiences and backgrounds and the size of the Board is such that it facilitates the making of informed and critical decisions for the Group. The Executive Directors have direct responsibilities on the day-to-day business operations and frequently attend management meetings wherein operational details and other issues are discussed and considered.

The presence of Independent Non-Executive Directors provide guidance, independent views, advice and judgement in ensuring that the strategies proposed are discussed and examined. This provides a balance in the Board to safeguard the interest of minority shareholders and to ensure that high standards of conduct and integrity are maintained by the Group.

INDEPENDENCE

The Board recognises the importance of independence and objectivity in the decision-making process as advocated in the MCGC. The Board is committed to ensure that the Independent Directors are capable to exercise independent judgment and act in the best interests of the Company.

The Board via the Nomination Committee conducted an independent assessment of the Independent Directors. The Nomination Committee is satisfied with the results whereby all the Independent Directors fulfilled the criteria of “Independence” as prescribed under the MMLR of Bursa Securities.

TENURE OF INDEPENDENT DIRECTORS

The Board is aware that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon the completion of the nine (9) year term, an Independent Director may continue to serve on the Board subject to the said Director’s re-designation as a Non-Independent Director.

There is no Independent Director of the Company whose tenure has exceeded a cumulative term of nine (9) years.

GENDER, ETHNICITY AND AGE GROUP DIVERSITY POLICIES

The Board is cognisant of the gender diversity recommendation promoted by the MCGC pertaining to the need to establish a policy formalising the approach to boardroom diversity and to set targets and measures for the adoption of the said recommendation. Presently, there are two (2) existing female Directors on the Board of the Company.

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The Board does not have a specific policy on gender, ethnicity and age group for candidates to be appointed to the Board and does not have a specific policy on setting target for female candidates in the workforce. The Company does not practice any form of gender, ethnicity and age group biasness as all candidates shall be given fair and equal treatment.

The Board believes that there is no detriment to the Company in not adopting a formal gender, ethnicity and age group diversity policy as the Company is committed to provide fair and equal opportunities and nurturing diversity within the Company. In identifying suitable candidates for appointment to the Board, the Nomination Committee will consider candidates based on the candidates' competency, skills, character, time commitment, knowledge, experience and other qualities in meeting the needs of the Company and with due regard to the benefits of diversity on the Board.

NOMINATION COMMITTEE

The Nomination Committee comprises entirely of Non-Executive Directors, the majority of whom are Independent Directors. The Independent Director is appointed as Chairman of the Nomination Committee. The Nomination Committee shall meet at least once a year or as and when deemed fit and necessary. The members of the Nomination Committee are as follows:-

Name	Designation	Directorship
Laksamana Tan Sri Dato' Setia Mohd Anwar Bin Hj Mohd Nor (<i>Retired</i>)	Chairman	Independent Non-Executive Director
Datuk Seri Ch'ng Toh Eng	Member	Independent Non-Executive Director
Tan Sri Syed Mohd Yusof Bin Tun Syed Nasir	Member	Non-Independent Non-Executive Director

The Nomination Committee is empowered by the Board to, amongst others, recommend to the Board, suitable candidates for new appointments to the Board. In making these recommendations, the Nomination Committee considers the required mix of skills and experiences which the Directors would bring to the Board. Any new nomination received is recommended to the full Board for assessment and endorsement.

The Nomination Committee assesses the effectiveness of the Board and the Committees of the Board annually to ensure that the Board has an appropriate balance of skills, expertise and core competencies.

The Terms of Reference of the Nomination Committee are published on the Company's website at www.titijaya.com.my.

SELECTION AND APPOINTMENT OF BOARD, BOARD COMMITTEES AND DIRECTORS

Appointments of Directors

The Nomination Committee is responsible for making recommendations for any new appointments to the Board and its various Board Committees. In making these recommendations, the Nomination Committee considers the required mix of skills and experience which the Directors should bring to the Board.

All the Board members shall notify the Chairman of the Board prior to the acceptance of new Board appointment(s) in public and public listed companies incorporated in Malaysia as well as directorships in corporations with similar businesses operating in the same jurisdiction.

The Chairman of the Board shall notify the Board members before accepting any new directorships in public and public listed companies incorporated in Malaysia as well as directorships in corporations with similar businesses operating in the same jurisdiction. The notification should include an indication of time that will be spent on the new appointment.

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Re-election of Directors

In accordance with the Company's Articles of Association ("Articles"), all Directors who are appointed by the Board are subject to re-election by shareholders at the next Annual General Meeting ("AGM"). The Articles also provide that at least one third (1/3) of the Directors is subject to re-election by rotation at each AGM, provided that the Directors including the Managing Director shall retire at least once in every three (3) years but shall be eligible for re-election.

The Articles further provide that all Directors who are appointed during the financial year are subject to retirement and re-election by the shareholders at the AGM following their appointment.

Annual Assessment

The Nomination Committee has a formal assessment mechanism to assess the effectiveness of the Board as a whole and the contribution of each individual Director.

The Board through its Nomination Committee conducts an annual review of its size and composition to determine if the Board has the right size and sufficient diversity with independence elements that fit the Company's objectives and strategic goals.

During the financial year ended 30 June 2018, the Nomination Committee held one (1) meeting with full attendance of all its members, to deliberate the following matters:-

- Review of the Directors who were due for re-election by rotation;
- Reviewed the effectiveness and composition of the Board as a whole;
- Evaluated the performance of the Board and Board Committees;
- Reviewed the effectiveness of the Board as a whole and of the Board Committees;
- Reviewed the terms of office and performance of the Audit Committee and each of its members; and
- Assessment of the independence of Independent Directors.

Based on the results of the annual assessment, the Nomination Committee has made the following observations:-

- the current size and composition of the Board is appropriate and well-balanced with the right mix of skills with the Board comprising individuals of high caliber, credibility and with necessary skills and qualifications to enable the Board to discharge its responsibility effectively.
- all Board Committees members have discharged their duties with care and diligence according to the respective Terms of Reference of the Remuneration Committee and Audit Committee.

The Board is mindful of the recommendation of the MCGC that the Board must comprise at least half of Independent Directors.

The Board is actively scouting for two (2) additional Independent Directors in order to ensure at least half of the Board comprises Independent Non-Executive Directors.

TRAINING

The Board acknowledges that continuous education is essential for the Directors to further enhance their skills and knowledge. The Board shall ensure compliance with the Mandatory Accreditation Programme as required by Bursa Securities for the newly appointed Directors.

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Newly appointed Directors are invited to attend an in-house orientation programme which is usually conducted after their effective appointment date.

Training is available to all Directors on an ongoing basis and the Board of Directors will evaluate and determine the training needs of its Directors. Directors will undergo relevant training programmes to further enhance their knowledge on a continuous basis in compliance with the Listing Requirements of Bursa Securities.

During the current financial year, the Directors have attended appropriate training programmes conducted by external experts to equip themselves with the knowledge to discharge their duties more effectively and to keep abreast of developments in the marketplace. The training programmes that the Directors had attended are as follows:

Name of Directors	Training / Courses Attended
Laksamana Tan Sri Dato' Setia Mohd Anwar Bin Hj Mohd Nor (<i>Retired</i>)	<ul style="list-style-type: none"> Aligning Strength Towards a Greater Affin
Tan Sri Dato' Lim Soon Peng	<ul style="list-style-type: none"> 7th Malaysia-China Entrepreneur Conference
Chin Kim Chung	<ul style="list-style-type: none"> National Tax Conference 2017 Comprehensive GST Compliance through a Structured Reviewed Mastering GST Audits Insolvency Conference 2017 - Building the Bridge Towards Better Corporate Recovery 2018 Budget Seminar National GST Conference 2018 MyGCAP Reviewer Course
Datuk Seri Ch'ng Toh Eng	<ul style="list-style-type: none"> Briefing on Company Remuneration policy Green Port Congress Looking Beyond Market Volatility, Navigating Uncertainties with Seizing Opportunities
Tan Sri Syed Mohd Yusof Bin Tun Syed Nasir	<ul style="list-style-type: none"> Latest Amendments to Listing Requirements
Datuk Nozirah Binti Bahari	<ul style="list-style-type: none"> Anti-Money Laundering & Counter Financing of Terrorism (AML/CFT) & Regulatory Compliance Training for Board of Directors & Senior Management Malaysian Financial Reporting Standards (MFRS) 9 BNM FIDE FORUM Dialogue : Managing Cyber Risks in Financial Institutions FIDE FORUM - Navigating Volatility, Uncertainty, Complexity and Ambiguity (VUCA) World Internal Rating Based (IRB) Approach Singapore's New Insolvency and Restructuring Regime 5th BNM-FIDE Forum Annual Dialogue with Deputy Governor of BNM Cradle Buzz Conference 2018 Islamic Finance Beyond Banking Cryptocurrency, Blockchain and Beyond: A Cautionary Tale New Corporate Liability Landscape Pursuant to MACC Act 2018 Global Islamic Finance Forum: Value Based Intermediation: Beyond Profit Malaysia – A New Dawn Conference Conflict of Interest Management and Insider Trading

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Although Lim Poh Yit, Lim Puay Fung and Adrian Cheok Eu Gene have not been able to attend a structured training programme during the financial year under review due to their personal exigencies, they continued to gain updates through the briefings by the Company Secretary, Internal and External Auditors during the quarterly meetings as well as communications with other Directors as well as the daily work exposures.

The Directors will continue to participate in future professional development programme from time to time as necessary to enable them to carry out their roles and duties effectively.

REMUNERATION POLICIES

Remuneration Committee

The Remuneration Committee comprises 1 Independent Non-Executive Director, 1 Non-Independent Non-Executive Director and 1 Executive Director. The members of the Remuneration Committee are as follows:-

Name	Designation	Directorship
Datuk Seri Ch'ng Toh Eng	Chairman	Independent Non-Executive Director
Chin Kim Chung	Member	Non-Independent Non-Executive Director
Tan Sri Dato' Lim Soon Peng	Member	Group Managing Director

The Board is aware of the recommendation of the MCCG that the Remuneration Committee should only consist of Non-Executive Directors and a majority of them must be Independent Directors. The Board will review the composition of the Remuneration Committee to be in line with the MCCG.

The Terms of Reference of the Remuneration Committee are available on the Company's website at www.titijaya.com.my.

Directors' Remuneration

The Board has instituted a set of policies and procedures to govern the remuneration of Directors and Senior Management. The policies and procedures serve as guideline for the Board in remunerating Directors and Senior Management with a view to attract, retain and motivate talented and high caliber individuals. The remuneration policy of Directors and Senior Management is available for reference at the Company's website at www.titijaya.com.my.

During the financial year ended 30 June 2018, the Remuneration Committee met two (2) times with full attendance of all its members, to deliberate the following matters prior to making recommendations to the Board for approval:-

- Reviewed the bonus payment for the Executive Directors of the Company;
- Reviewed the existing employment terms and remuneration package of the Executive Directors of the Company;
- Reviewed the benefits-in-kind for the Directors of the Company;
- Reviewed the Directors' fees for the Directors of the Company; and
- Reviewed the bonus payment for employees of the Group.

The details of the aggregate remuneration (including benefits-in-kind) of the Directors of the Group and the Company who served during the financial year ended 30 June 2018 are as follows:-

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Received from the Company

In Ringgit Malaysia	Salaries, Bonus and Other Emoluments	Allowance	Fees	Total
Laksamana Tan Sri Dato' Setia Mohd Anwar Bin Hj Mohd Nor (<i>Retired</i>)	-	10,000	69,000	79,000
Tan Sri Dato' Lim Soon Peng	-	-	41,400	41,400
Lim Poh Yit	-	-	41,400	41,400
Lim Puay Fung	-	-	41,400	41,400
Datuk Nozirah Binti Bahari (Appointed on 25 September 2017)	-	7,000	-	7,000
Tan Sri Syed Mohd Yusof Bin Tun Syed Nasir	-	8,500	41,400	49,900
Chin Kim Chung	-	13,000	41,400	54,400
Datuk Seri Ch'ng Toh Eng	-	12,000	46,000	58,000
Adrian Cheok Eu Gene (Alternate Director to Tan Sri Syed Mohd Yusof Bin Tun Syed Nasir)	-	-	-	-

Received on Group Basis

In Ringgit Malaysia	Salaries, Bonus and Other Emoluments	Allowance	Fees	Total
Laksamana Tan Sri Dato' Setia Mohd Anwar Bin Hj Mohd Nor (<i>Retired</i>)	-	10,000	69,000	79,000
Tan Sri Dato' Lim Soon Peng	993,669	-	41,400	1,035,069
Lim Poh Yit	953,958	-	41,400	995,358
Lim Puay Fung	742,100	-	41,400	783,500
Datuk Nozirah Binti Bahari (Appointed on 25 September 2017)	-	7,000	-	7,000
Tan Sri Syed Mohd Yusof Bin Tun Syed Nasir	-	8,500	41,400	49,900
Chin Kim Chung	-	13,000	41,400	54,400
Datuk Seri Ch'ng Toh Eng	-	12,000	46,000	58,000
Adrian Cheok Eu Gene (Alternate Director to Tan Sri Syed Mohd Yusof Bin Tun Syed Nasir)	-	-	-	-

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The remuneration of the top 5 Senior Management in each remuneration band for the financial year ended 30 June 2018 is as follows:-

Remuneration Bands (RM)	Number of Senior Management (Excluding Executive Directors)
50,000 and below	-
50,001 – 100,000	2
100,001 – 200,000	-
200,001 – 300,000	-
300,001 – 400,000	3

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT COMMITTEE

The role of the Audit Committee in relation to the External Auditors is set out in the Audit Committee Report of this Annual Report. The Company has always maintained a formal and transparent relationship with its auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia.

The Group's independent External Auditors fill an essential role for the shareholders by enhancing the reliability of the Group's financial statements and giving assurance of that reliability to users of these financial statements.

The External Auditors have an obligation to bring any significant defects in the Group's system of control and compliance to the attention of the Management; and if necessary, to the Audit Committee and the Board. This includes the communication of fraud.

The Audit Committee undertakes an annual assessment of the suitability and independence of the External Auditors. The External Auditors are invited to attend the Audit Committee meeting twice a year to discuss their audit plan, audit findings and the Company's financial statements. At least one of these meetings is held with the External Auditors without the presence of the management. The Audit Committee also meets with the External Auditors additionally whenever it deems necessary. In addition, the External Auditors are invited to attend the Annual General Meeting of the Company and are available to answer shareholders' questions on the conduct of the statutory audit and the preparation and content of the Annual Report.

COMPLIANCE WITH APPLICABLE FINANCIAL REPORTING STANDARDS

The Board is committed in providing a balanced, clear and understandable assessment of the financial position, performance and prospects of Titijaya Group in the disclosures made to the shareholders and the regulatory authorities.

The Board takes responsibility to ensure that the financial statements of the Company present a balanced and meaningful assessment of the Group's position and prospects and to ensure that the financial statements are drawn up in accordance with the provisions of the Companies Act 2016 and applicable accounting standards in Malaysia.

The Board, assisted by the Audit Committee, oversees the Group's financial reporting process and the information for disclosure to ensure accuracy, adequacy and completeness.

The membership of the Audit Committee, their responsibilities and main works carried out for the financial year ended 30 June 2018 are set out in the Audit Committee Report of this Annual Report.

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RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

RISK MANAGEMENT FRAMEWORK

The Board fulfils its responsibilities in the risk governance and oversight functions through its Board Risk Management Committee who reviews the effectiveness of risk management framework and to manage the overall risk exposure to the Group. The Board Risk Management Committee was formed on 30 May 2018 to assist the Board in overseeing the risk management matters in line with the step-up practice set out in the MCCG.

The Board Risk Management Committee assesses and monitors the efficacy of the risk management controls and measures taken, whilst the adequacy and effectiveness of the internal controls are reviewed by the Audit Committee through the work performed by the internal audit function for the Group.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to an independent consulting firm, to assist the Board and the Audit Committee in providing independent assessment of the adequacy, efficiency and effectiveness of the Group's internal control system.

The internal audit function has prepared a risk-based internal audit plan and incorporated a holistic schedule of assignments to provide independent assurance on the system of risk management and safeguarding of the Group's assets. Scheduled internal audits are carried out by the internal auditors based on the audit plan presented to and approved by the Audit Committee.

During the financial year ended 30 June 2018, internal audit reviews were carried out and the findings of the reviews, including the recommended management action plans were presented directly to the Audit Committee. Based on the internal audit reviews conducted, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this Annual Report.

The information on the Group's risk management and internal control is presented in the Statement of Risk Management and Internal Control as set out of this Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

COMMUNICATION WITH STAKEHOLDERS

Corporate Disclosure Policy

The Company recognises the value of transparent, consistent and coherent communications with the investing community consistent with commercial confidentiality and regulatory considerations.

The Company is committed to ensure that communications to the investing public regarding the business, operations and financial performance of the Company are accurate, timely, factual, informative, consistent, broadly disseminated and where necessary, information filed with regulators is in accordance with applicable legal and regulatory requirements.

The Company is guided by the Corporate Disclosure Guide issued by Bursa Securities with the consultation of the Company Secretary, advisers and/or other service providers.

The Company's website incorporates an Investor Relations section which provides all relevant information of the Company and is accessible by the public. The Investor Relations section enhances the Investor Relations function by including all announcements made by the Company.

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Leverage on Information Technology for Effective Dissemination of Information

The Board has established a dedicated section for corporate information on the Company's website where information on the Company announcements, financial information and stock information can be accessed.

CONDUCT OF ANNUAL GENERAL MEETINGS

Encourage Shareholder Participation at General Meeting

The Board and Management convey information about the Company's performance, corporate strategy and other matters affecting shareholders and investors through timely dissemination of information which include distribution of annual reports and relevant circulars and issuance of press releases. Enquiries by shareholders are dealt with promptly as practicable as possible.

Annual General Meeting

The AGM is the principal forum for dialogue with shareholders. Notice of the AGM and annual reports are sent out to shareholders at least 28 days before the date of the meeting. At the meeting, Management makes a presentation on the year's financial results and business activities.

At each AGM, the Board encourages shareholders to participate in the question and answer session whereby the Directors are available to discuss aspects of the Group's performance and its business activities. The Chairman responds to shareholders' questions during the meeting.

An explanatory statement to facilitate full understanding and evaluation of the issues involved will accompany items of special business included in the notice of the meeting.

Poll Voting

Pursuant to the MMLR, any resolution set out in the notice of any general meeting, or in any notice of resolution which may be properly moved and is intended to be moved at any general meeting, is voted by poll. The Company shall be conducting poll voting for all resolutions set out in the notice of general meeting.

The Company will explore providing facilities for poll voting via electronic means to expedite verification and counting of votes.

Effective Communication and Proactive Engagement

The Board believes that a constructive and effective relationship with all investors is essential in enhancing shareholder value and recognises the importance of timely dissemination of information to the investor community and shareholders.

During the last AGM, the Group Chief Financial Officer presented an overview and explained the operational and financial performance of the Group, its corporate strategies, trends and the outlook for the future. Shareholders present at the meeting had the opportunity to enquire on the Group's performance and operations and were invited to ask questions during the question and answer session.

Further, apart from announcements and public statements required by Bursa Securities, the Company issues press releases and conducts media and analysts briefings in conjunction with the release of the Group's quarterly and annual financial results announcements as deemed fit.