





# Audit Committee

## Terms Of Reference

### Composition of the Audit Committee

Pursuant to the Kuala Lumpur Stock Exchange (KLSE) Second Board Listing Requirements, an Audit Committee is required to be established by the Company. The Audit Committee shall be appointed by the Directors from among their number via a Directors' resolution and shall be composed of not fewer than three (3) members of whom a majority shall not be:-

- Executive Directors of the Company or any related corporation; or
- A spouse, parent, brother, sister, son or adopted son or daughter of an Executive Director of the Company or any related corporation; or
- Any person having a relationship which in the opinion of the Board of Directors would interfere with the exercise of independent judgement in carrying out the functions of an audit committee.

The members of the Audit Committee shall elect a Chairman from amongst themselves who is not an Executive Director or employee of the Company or any related corporation. All members of the Audit Committee, including the Chairman, will hold office only so long as they serve as Directors of the Company.

Where the members of the Audit Committee for any reason be reduced to below three (3), the Board of Directors shall within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

### Members of the Audit Committee

The Audit Committee of the Company comprises the following directors:-  
En. Md Anwar bin Hj Mamod \* - Chairman

Mr. Tan See Yin  
Dr. Teoh Kim Loon \*

\*Independent Non-Executive Director

### Secretaries of the Audit Committee

Mr. Lee Wei Yan  
Ms. Wong Koo Rou

The quorum for meetings of Audit Committee shall be two (2) members.

### Objectives of the Audit Committee

It is the objectives of the Audit Committee to assure the shareholders of the Company that the

Directors of the Company have complied with specified financial standards and required disclosure policies developed and administered by the KLSE. In addition, the Audit Committee is also determined to ensure consistency with the KLSE's commitments to encourage high standards of corporate disclosure. The Audit Committee with endeavour to adopt certain practices aimed at maintaining appropriate standards of corporate responsibility, integrity and accountability to all the Company's shareholders.

### Duties and Responsibilities of the Audit Committee

The duties and responsibilities of the Audit Committee include :-

- i. Oversee all matters relating to external audit including the review of the audit plan and audit report;
- ii. Oversee the internal audit department including the evaluation of the standards of internal control and financial reporting;
- iii. Review of the financial statements;
- iv. Review of the assistance and co-operation given by the Company's officers to the external and internal auditors;
- v. Review any related party transactions that may arise within the Company or the Group; and
- vi. Nominate the external auditors for appointment.

### Powers of the Audit Committee

In carrying out their duties and responsibilities, the Audit Committee will in principal have full, free and unrestricted access to all the Company's records, property and personnel.

### Meetings

The Audit Committee will meet at least four (4) times a year although such additional meetings may be called at any time at the discretion of the Chairman.

The internal and/or external auditor has the right to appear and be heard at any meeting of the Audit Committee and shall appear before the Committee when required by the Committee. Upon the request of the auditor(s), the Chairman of the Audit Committee shall convene a meeting of the Committee to consider any matters the auditor(s) believes should be brought to the attention of the Board of Directors or the shareholders.



## Group 5-Year Summary

### Consolidated Profit and Loss Accounts for the year ended 31 December

(RM Million)	1999	1998	1997	1996	1995
Turnover	356.4	315.5	271.8	240.3	212.9
Profit Before Taxation	26.5	16.9	12.3	8.6	6.7
Taxation	(0.2)	(7.6)	(5.3)	(2.4)	(1.5)
Profit After Taxation	26.3	9.3	7.0	6.2	5.2
Minority Interests	(2.0)	(1.2)	(0.7)	-	(0.3)
Profit After Taxation and Minority Interests	24.3	8.1	6.3	6.2	4.9
Extraordinary Items	-	-	-	-	-
Profit Attributable to Shareholders	24.3	8.1	6.3	6.2	4.9
Dividend	(2.5)	-	-	-	-
Retained Profit For The Year	21.8	8.1	6.3	6.2	4.9

### Financial Highlights for the year ended 31 December

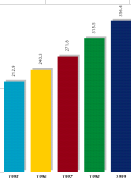
	1999	1998	1997	1996	1995
Earnings Per Share (sen)	48.6	16.2	12.6	12.4	9.8
NTA Per Share (sen)	211	147	132	123	112
Dividend Per Share (sen)	5	-	-	-	-
Profit Before Tax on Sales	7.4%	5.4%	4.5%	3.6%	3.1%
Profit After Tax and Minority Interests on Shareholders Funds	21.0%	9.9%	8.5%	8.9%	7.8%

**Note:**

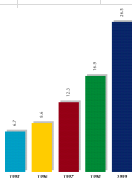
- (i) The figures for 1995 through to 1998 were prepared for comparative purposes based on the audited accounts of Raza, Remed and Strand. These figures were prepared on the assumption that the current structure of the Praramianga Group has been in existence since 1995.
- (ii) 1999 Earnings Per Share is calculated based on the Profit After Tax and Minority Interest before adjustment for pre-acquisition profit of RM04.3 million and the enlarged share capital in issue of 49,999 million shares.



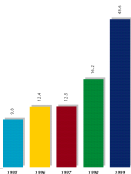
## Group 5-Year Summary (Cont'd)



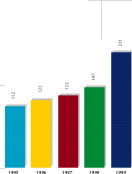
Turnover (RM Million)



Profit Before Taxation (RM Million)



Earnings Per Share (Sen)



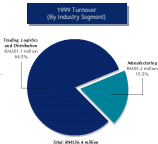
NTA per share (sen)



# 1999 Group Financial Highlights

For the year ended 31 December

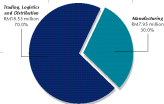
(RM Millions)	1999	1998	+/-
Turnover	356.4	315.5	40.9
Profit Before Tax	26.5	16.9	9.6
Profit After Taxation and Minority Interests	24.3	8.1	16.2
Earnings as a Percentage of Shareholders Fund	21.0%	9.9%	11.1%
Earnings Per Share (sen)	48.6	16.2	32.4
Net Tangible Assets Per Share (sen)	211	147	64





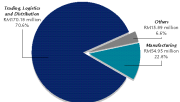
# 1999 Group Financial Highlights (Cont'd)

**1999 PBT  
(By Industry Segment)**



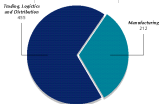
Total: RM26.5 million

**Total Assets  
(By Industry Segment)**



Total: RM21.5 million

**No. Of Employees  
(By Industry Segment)**



Total: 617



## Group Structure



# PHARMANIAGA



Raza Manufacturing Berhad  
100%



Strand Pharmaceuticals  
(Malaysia) Sdn Bhd  
100%

Raza Pharmaceuticals Sdn Bhd  
100%

Pharmaniaga Sales &  
Marketing Sdn Bhd  
(formerly known as  
Raza Marketing Sdn Bhd)  
100%



Remedi Pharmaceuticals (M) Sdn Bhd  
70%



ehealth4all.com Sdn Bhd  
70%

Remedi Research Centre  
Sdn Bhd  
100%

Pharmacy Automated System  
Incorporated Sdn Bhd  
65%

Specialty Medical Laboratories  
Sdn Bhd  
50%

Remedi Diagnostics  
Sdn Bhd  
100%

Rumpun Legenda Sdn Bhd  
50%