

TEXWINCA HOLDINGS LIMITED (the “Company”)

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

MEMBERSHIP

1. The Committee shall be appointed by the Board from amongst the Independent Non-executive Directors of the Company and shall consist of not less than two members. A quorum shall be two (2) members.
2. The Chairman of the Committee shall be appointed by the Board.

ATTENDANCE AT MEETING

3. One or more Executive Directors, Group Financial Controller and one or more representative(s) of the external auditors shall normally attend meeting. Other Board members shall also have the right of attendance. However, at least once a year the Committee shall meet with the external auditors without executive Board members' present.
4. The Company Secretary shall be the secretary of the Committee.

FREQUENCY OF MEETINGS

5. Meetings shall be held not less than twice a year. The external auditors may request a meeting if they consider that one is necessary.

AUTHORITY

6. The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
7. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

DUTIES

8. The duties of the Committee shall be:

- (a) to consider the appointment of the external auditors, the audit fee, and any questions of resignation or dismissal;
- (b) to discuss with the external auditors before the audit commences, the nature and scope of the audit;
- (c) to review the half-year and annual financial statements, focusing particularly on:
 - (i) any changes in accounting policies and practices;
 - (ii) major judgmental areas;
 - (iii) significant adjustments resulting from the audit;
 - (iv) the going concern assumption;
 - (v) compliance with accounting standards; and
 - (vi) compliance with stock exchange and legal requirements.
- (d) to discuss problems and reservations arising from the interim and final audits (where applicable), and any matters the auditors may wish to discuss (in the absence of management where necessary);
- (e) to review the external auditors' management letter and management's response where applicable;
- (f) to review the Company's statement on internal control systems (where one is included in the annual report) prior to endorsement by the Board;
- (g) to consider the major findings of internal investigations and management's response; and
- (h) to consider other topics, as defined by the Board.

REPORTING PROCEDURES

9. The secretary shall circulate the minutes of meeting of the Committee to all members of the Board.