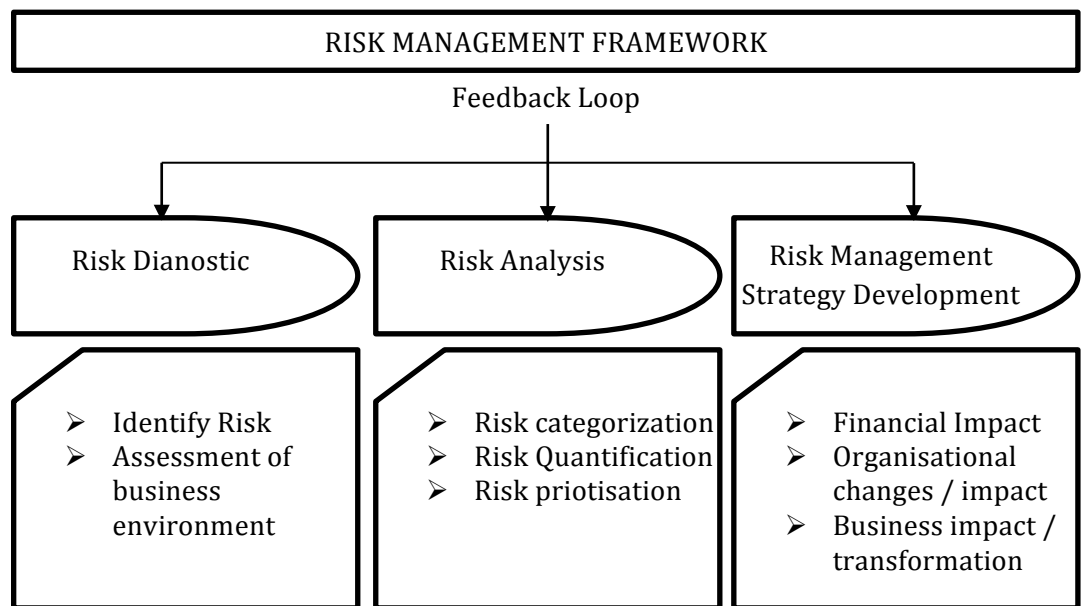




Menang Corporation (M) Berhad

RISK MANAGEMENT FRAMEWORK



The Risk Management Framework steps include:

Risk diagnostic: Almost every employee of the Company (and to the extent possible, customers/suppliers/advisors/others) should be engaged in identification of risks in each department and how these fit into the overall context of the Company's business and reputation.

Risk analysis: This should be conducted by a smart group of individuals working directly with department head. The goal is to determine high-impact risks that affect the projects/department/business/Company in term of both quantitative and qualitative aspects and assess their likely impact. Then prioritize them by probability and degree of impact so that the management/board can make the right decisions.

Risk management strategy development: Again, this has to be top management-drive exercise. Risk management strategy has to be intimately tied to the overall corporate strategy and should include all such components as financial, organizational, business, etc. The top management

Implementation: Implement the measures/controls/procedures and describe how the measures/controls/procedures are employed within the said Risk with the objectives to minimise and or eliminate the said Risk.

Assessment: Assess the implementation using appropriate assessment procedures to determine the extent to which the controls are implemented correctly, operating as intended, and producing the desired outcome with respect to meeting the implementation requirements for the projects/department/business/Company.

Monitor: Monitor the risk on an ongoing basis including assessing control effectiveness, documenting changes to the risk or its environment of operation, conducting impact analyses of the associated changes, and reporting the risk to designated organizational heads.

Feedback Loop: Re-examine the whole process again with the objectives to reduce/eliminate the risk.