

Summary of Minutes of the Audit Committee Meeting of Hong Kong Internet Registration Corporation Limited and Hong Kong Domain Name Registration Company Limited held on Tuesday 31 October 2017

Present : Mr Stephen HO Wai Chung (Chair), Prof Francis CHIN Yuk Lun and Mr Leo KAN

1. Review and endorse for Board approval the 2017 internal audit report prepared by Grant Thornton: Auditors from Grant Thornton presented the findings of the 2017 internal audit report and their recommendations to the Committee. Altogether nine risk items were identified of which eight of them were low risk items while one was medium risk item. Committee endorsed for Board approval the 2017 internal audit report prepared by Grant Thornton.
2. Review and endorse for Board approval the recommendation on selected vendor to conduct year-end audits for 2018: Committee endorsed for Board approval the re-appointment of KPMG as the auditor to conduct year-end audits for 2018 at a cost of HK\$257,200.
3. Report on different investment opportunities suggested by our bankers: Committee noted that different investment opportunities suggested by our bankers. Management was requested to seek for expert advices from professional investment consultants before finalizing a proposal to the Board.
4. Review progress of follow-up actions for 2015 and 2017 security audit: Committee noted that all follow up actions for 2015 security audit were fixed. Committee reviewed and endorsed the progress report for the follow up actions for 2017 security audit for the part on DNSSEC security assessment. Committee noted that all four findings were fixed in August 2017. For another five new findings identified by another IT security consultant, Management planned to fix all findings by mid-Nov 2017. Chairman reminded Management to report the progress to the Board in next Board meeting.
5. Review additions and deletions to the list of Company policies, guidelines and procedures: Committee noted the updated changes on the list of Company policies, guidelines and procedures.
6. Quarterly performance of HKIRC for the quarter of Q2 and Q3 of 2017: Committee members noted the performance report of HKIRC for the quarter of Q2 and Q3 of 2017.
7. Date of 2018 Audit Committee Meetings: Committee members noted the propose dates of Audit Committee Meetings in 2018. Management would liaise with Committee members to fix the dates accordingly.