EGH INTERNATIONAL BERHAD
Registration No. 202501050529 (1651937-K)

AUDIT AND RISK MANAGEMENT COMMITTEE

TERMS OF REFERENCE

OBJECTIVE

The Audit and Risk Management Committee ("**ARMC**" or "**Committee**") of EGH International Berhad ("**EGHI** or the "**Company**") and its subsidiaries ("**Group**") was formed by the Board of Directors of the Company ("**Board**") on 22 December 2025.

The objective of the ARMC is to assist the Board in discharging its statutory duties and responsibilities relating to the accounting and reporting practices of the Group, including but not limited to:-

(a) oversee the financial reporting process to ensure the financial statements are accurate, complete and prepared in compliance with the applicable financial reporting standards;

(b) oversee and appraise the quality of the audit conducted by both the Internal and External Auditors of the Group including issues pertaining to the Internal Control within the Group;

(c) maintain open lines of communication between the Board and the Internal and External Auditors for the exchange of views and information, and to confirm their respective authorities and responsibilities;

(d) determine the adequacy of the Group's administrative, operating and accounting controls as well as the risk management of the Group;

(e) oversee compliance with laws and regulations, and observance of a proper Code of Conduct and Ethics by the Directors, Senior Management and employees; and

(f) periodically review and monitor any related party transactions and conflict of interest situations.

COMPOSITION

The ARMC shall comprise no fewer than three (3) members, the majority of whom must be Independent Non-Executive Directors. At least one (1) member of the ARMC:-

(a) must be a member of the Malaysian Institute of Accountants ("**MIA**"): or

(b) if he/she is not a member of the MIA, he/she must have at least three (3) years of working experience; and

    (i) he/she must have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967; or

(ii) he/she must be a member of one (1) of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or

(iii) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("**Bursa Securities**"), including the following:-

1. must have either one (1) of the following qualifications and at least three (3) years' post qualification experience in accounting or finance:-
   - a degree/ masters/ doctorate in accounting or finance; or
   - a member of any professional accountancy organisation which has been admitted as a full member of the International Federation of Accountants; or

2. must have at least seven (7) years' experience being a chief financial officer of a corporation or having the function of being primarily responsible for the management of the financial affairs of a corporation.

The ARMC members should be financially literate, competent and able to understand matters under the purview of the ARMC including the financial reporting process. All ARMC members should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

In the event of a vacancy resulting in the number of members (including Chairman) being reduced to fewer than three (3) or insufficient number of Independent Non-Executive Director, the vacancy shall be filled within three (3) months, based on the recommendation of the Nomination Committee, order to restore the minimum number of members or independent representation.

No former partner of the Group's External Auditor(s) or any affiliate firm (including those providing advisory services, tax consulting etc) shall be appointed to the ARMC unless he/she has observed a cooling-off period of at least three (3) years prior to their appointment as a member.

No Alternate Director of the Board shall be appointed as a member of the ARMC.

The Chairman of the Board shall not be appointed as a member of the ARMC.

The terms of office and performance of the ARMC and each of its members must be reviewed by the Board via the Nomination Committee annually to determine whether the ARMC and its members have carried out their duties in accordance with these Terms of Reference.

The Board shall have the authority to rescind the appointment of any ARMC member at any time and to appoint new members as it deems fit.

CHAIRMAN

The Chairman shall be elected from among the ARMC members and he/she must be an Independent Non-Executive Director. In the event of the Chairman's absence, the meeting shall be chaired by an Independent Non-Executive Director, elected from among the members of the ARMC.

SECRETARY

The Company Secretary shall be the Secretary of the ARMC and shall be responsible, with the concurrence of the Chairman of the ARMC, for preparing and circulating the agenda and the Notice of Meeting, together with supporting explanatory documents, to the members of the ARMC at least seven (7) days prior to each meeting.

The Secretary shall also be responsible for keeping the minutes of meeting of the ARMC and circulating them to the ARMC members.

MEETINGS

The ARMC shall meet at least four (4) times in a financial year. Additional meetings may be called as and when required, with reasonable notice, as the ARMC deems fit. Furthermore, the Chairman of the ARMC must convene a meeting upon the request of the External Auditors to consider any matter that they believe should be brought to attention of the Directors or the shareholders.

The quorum for a meeting shall be at least two (2) members, with the majority of those present being Independent Non-Executive Directors. In the absence of the Chairman of the ARMC, the members present shall elect a Chairman for the meeting from amongst themselves.

The ARMC shall regulate its own procedure in lieu of convening a formal meeting by means of conference telephone, conference videophone or other similar communications equipment provided that all persons participating in the meeting can hear and communicate with each other. Such participation shall constitute presence in person at the meeting and such persons shall be entitled to vote and be counted in a quorum accordingly.

Where relevant and appropriate, the Internal Auditors and representatives of the External Auditors shall be invited to attend the meetings. Meetings between the ARMC with the Internal and External Auditors, held without the presence of executive Board members and Senior Management, are encouraged to foster open discussion and exchanges of views. In addition, the ARMC may invite other Board members or Senior Management to attend the meetings if their presence is deemed appropriate, as determined by the Chairman of the ARMC.

All decisions at a meeting shall be decided by a majority vote of the members present, and in the case of equality of votes, the Chairman of the ARMC shall have a second or casting vote. However, if only two (2) members are present or if only two (2) members are competent to vote on a particular issue, the Chairman of the ARMC shall not have a second or casting vote. In the case of an equality of votes, where two (2) members form a quorum, the meeting shall be adjourned to another day, time and place when at least three (3) or more members may be present to decide on the issue. Any conflicting views shall be submitted to the Board for its final decision.

An ARMC member shall excuse him/herself from the meeting during discussions or deliberations of any matter which gives rise to an actual or perceived conflict of interest situation. In the event that this results in an insufficient number of members to form a quorum, the ARMC has the authority to appoint another Director(s) who meets the membership criteria.

The ARMC may deal with matters by way of circular resolutions in lieu of convening a formal meeting. A resolution in writing signed or approved by a majority of the members of ARMC, shall be valid and effectual, as if it had been passed at a meeting duly convened and held. Any such resolution may consist of several documents in like form, each signed by one (1) or more members of ARMC and may be

transmitted to the Company by email, facsimile or any technology that includes a signature and/or electronic or digital signature of the ARMC members, including but not limited to platforms such as DocuSign.

RIGHTS OF ARMC

The ARMC, authorised by the Board and at the expense of the Company, shall:-

(a) have the authority to investigate any matter within its Terms of Reference;

(b) have the resources to perform its duties;

(c) have full and unrestricted access to any personnel and information pertaining to the Company and the Group;

(d) be able to seek independent professional or other advice as deemed expedient to assist in discharging its duties and responsibilities;

(e) have direct communication channels with the Internal and External Auditors, as well as Senior Management;

(f) be able to convene meetings with the Internal and/or External Auditors, excluding the attendance of the executive Board members and employees of the Group, whenever deemed necessary; and

(g) be able to request the attendance of any employee at a meeting of the ARMC and/or seek any information it requires from any employee to perform its duties.

DUTIES

The duties of the ARMC are as follows:-

External Auditors

(a) To consider and recommend to the Board the appointment and/or re-appointment of the External Auditor, to review the audit fee and its engagement terms and conditions, to review any question of resignation or dismissal of the External Auditor and, if applicable, report the same to the Board.

In recommending the nomination of a person or persons as External Auditor(s) to the Board, to consider among others:-

(i) the adequacy of the experience and resources of the accounting firm;
(ii) the persons assigned to the audit;
(iii) the accounting firm's audit engagements;
(iv) the size and complexity of the listed issuer's group being audited; and
(v) the number and experience of supervisory and professional staff assigned to the particular audit.

The ARMC will also consider the performance of the External Auditors and their independence as below:-

(i) the External Auditors' abilities to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;
(ii) the competence, audit quality and resource capacity of the External Auditors in relation to the audit;
(iii) the information presented in the Annual Transparency Report of the audit firm;
(iv) the nature of the non-audit services provided by the External Auditors and fees paid for such services relative to the audit fee;
(v) whether there are proper policies and procedures in place to ensure that there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services or tenure of the External Auditors; and
(vi) obtaining assurance from the External Auditors (written or other modes) confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

(b) To review and discuss the following with the External Auditors and report the same to the Board:-

(i) the audit plan;
(ii) the audit report;
(iii) the results of their evaluation of the accounting policies, system of internal controls and risk management within the Group; and
(iv) the assistance given by the employees of the Group to External Auditors, including any difficulties or disputes with management encountered during the audit.

(c) To review all non-audit services before they are rendered by the External Auditors to avoid situations where the External Auditors inadvertently assume the responsibilities of management in the course of providing non-audit services. Such a situation may breach of the independence requirements on the part of the audit firm.

In the event that the non-audit fees paid to the Company's External Auditors, or a firm or corporation affiliated with the External Auditors' firm, are significant (e.g. constitute 50% of the total amount of audit fees paid to the Company's External Auditors), the Company is required to state the details on the nature of non-audit services rendered in the ARMC Report.

(d) To ensure the proper policies and procedures are established and to assess the suitability, objectivity and independence of External Auditors to safeguard the quality and reliability of audited financial statements.

<u>Financial Management</u>

(e) To review the quarterly reports and annual financial statements, prior to approval by the Board, focusing particularly on:-

(i) changes in or implementation of major accounting policies;

(ii) significant matters highlighted including financial reporting issues, significant judgements made by Senior Management, significant and unusual events or transactions, and how these matters are addressed;

(iii) the integrity of financial statements and significant adjustments arising from the audit;

(iv) the going concern assumption; and

(v) compliance with accounting standards and other legal requirements.

(f) To ensure the competency of the accounting/finance personnel and adequacy of the resources and infrastructure of the finance function.

Internal Audit

(g) To review the adequacy of the scope, functions, competency and resources of the internal audit function, and that it has the necessary authority to carry out its duties.

(h) To review the internal audit program, processes, results of the internal audit program, investigations undertaken and whether or not appropriate action has been taken on the recommendations of the internal audit function.

(i) To review any appraisal or assessment of the performance of internal audit function.

(j) To review and approve any appointment or termination of Internal Auditors.

(k) To review the effectiveness of the Group's internal audit function and make necessary recommendations for improvement of the internal audit function.

(l) To consider the major findings of Internal Auditors and Management's response, monitor the implementation of any recommendations made therein and ensure effective coordination between the Internal and External Auditors.

(m) To, where appropriate, supervise any special projects or investigations considered necessary, to be carried out by Internal Auditors, and review the major findings of the internal investigations and Management's response.

Risk Management and Internal Control

(n) To provide oversight, direction and counsel to the Board on the risk management process, which includes the following:-

(i) Monitor the Group's and the Business Unit's (BU) functional level risk exposures and management of the significant risks identified.

(ii) Evaluate new risks identified by Senior Management and the Risk Management Working Group, if any, including the likelihood and impact of the risks happening in the future and to consider the need to put in place the appropriate controls.

(iii) Review the adequacy of Group's risk profile and ensure that significant risks outside tolerable ranges are being addressed appropriately and in a timely manner.

(iv) Review the status of the implementation of action plans in mitigating significant risks identified, and recommend additional courses of action to mitigate such risks.

(o) To evaluate the effectiveness of the Group's risk management structure, risk management processes and support systems to identify, assess, monitor and manage the Group's key risks, and recommend corrective measures to remedy failings and/or weaknesses.

(p) To establish and periodically review the adequacy of risk management guidelines and policies, and receive reports from the Internal and External Auditors on the effectiveness of the controls in each major risk area, to ensure policy implementation and compliance.

(q) To review and comment annually on the effectiveness of risk management activities in the organisation on the basis of audit reports received and the statement of risk management and internal control, for disclosure in the annual report, from Management, and ensure that such disclosure in the annual report is in compliance with the requirements of the relevant authorities.

(r) To comment on proposals for implementation of risk management policies and express an opinion on the overall adequacy where applicable.

Related Party Transactions and Conflict of Interest Situations

(s) To review and report to the Board any related party transactions (including recurrent related party transactions) and any conflict of interest situations that arose, persist or may arise within the Company or Group including any transaction, procedure or course of conduct that raises concerns over management integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts.;

(t) To review any related party transactions entered into by the Company or the Group and to determine if such transactions were undertaken on arm's length basis and on normal commercial terms, on terms not more favourable to the related parties than those generally available to the public, and to ensure that the Directors report such transactions annually to the shareholders via the annual report;

(u) To ensure that the Group has adequate procedures and processes in place to monitor related party transactions and to review these procedures and processes to ensure that they are relevant and effective.

Other matters

(v) To ensure that the ARMC Report at the end of the financial year is included in the annual report of the Company in accordance with the ACE Market Listing Requirements of Bursa Securities ("**Listing Requirements**");

(w) To maintain and keep under review the whistle-blowing mechanism of the Group which shall be in accordance with Whistleblowing Policy and Procedure, as well as an effective and efficient set of investigation procedures, which aims to provide protection and confidentiality.

To ensure that proper investigations are carried out within a reasonable timeframe for substantiated cases received through whistleblowing channels and report the results and conclusions of such investigations, with appropriate courses of action recommended to the Board for approval, in accordance with the Whistleblowing Policy and Procedure, until the cases are resolved satisfactorily.

(x) To ensure that the results of any audit, review of risk assessment, control measure and performance are reported to all top-level management, including the full Board, and acted upon.

(y) To ensure that ARMC has the resources required to perform its duties, including assigning a competent person or function to be responsible for all anti-corruption and anti-bribery compliance matters.

(z) To ensure that internal and external trainings in relation to anti-corruption and anti-bribery are developed for Directors, Senior Management and all employees.

(aa) To verify the allocation of shares and/or options pursuant to a share issuance scheme for employees to ensure compliance with the criteria for allocation of shares and/or options under the share issuance scheme, if any, at the end of each financial year.

(ab) To report promptly any matter resulting in the breach of Listing Requirements to the Board. Where the ARMC is of the opinion that such a matter reported by it to the Board has not been satisfactorily resolved, the ARMC shall promptly report the matter to Bursa Securities.

(ac) To consider and examine such other matters as the ARMC considers appropriate or may be authorised by the Board or may be prescribed by Bursa Securities or any other relevant authority from time to time.

REPORTING RESPONSIBILITIES

The Chairman of ARMC shall report to the Board on the ARMC's proceedings after each meeting on all matters within its duties and responsibilities.

The ARMC shall make the necessary recommendations to the Board as it deems appropriate for any area within its remit where action or improvement is needed for the Board's deliberation and decision.

The ARMC shall prepare an ARMC Report to be included in the Company's annual report that includes the following:-

(a) The composition of the ARMC, including the name, designation (indicating the Chairman) and directorship of the members (indicating whether the Directors are independent or otherwise);

(b) The number of ARMC meetings held during the financial year and details of attendance of each member;

(c) A summary of the work done by the ARMC in discharging its functions and duties for the financial year and how it has met its responsibilities; and

(d) A summary of the internal audit function and risk management system.

[The remaining of this page was intentionally left blank]

PERIODIC REVIEW

The Terms of Reference of the ARMC were first adopted on 22 December 2025 and will be reviewed at least once every two (2) years or as and when necessary by the ARMC. The Terms of Reference of the ARMC shall be made available on the Company's website.

Any revision or amendment to these Terms of Reference, as proposed by the ARMC or any third party, shall first be presented to the Board for its approval.

Upon the Board's approval, the said revision or amendment shall form part of these Terms of Reference and these Terms of Reference shall be considered duly revised or amended.

These Terms of Reference of the ARMC were reviewed and approved by the Board on 22 December 2025.