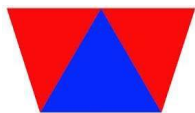


# Warisan TC Holdings Berhad

Registration No.: 199701009338 (424834-W)

## Audit Committee Terms of Reference

6	28 August 2024	Issued for implementation	FLPY	LMO	Audit Committee	Board of Directors
5	28 August 2023	Issued for implementation	FLPY	LMO	Audit Committee	Board of Directors
4	25 November 2021	Issued for implementation	ALB	LMO	Audit Committee	Board of Directors
3	23 February 2021	Issued for implementation	ALB	LMO	Audit Committee	Board of Directors
2	22 February 2018	Issued for implementation	ALB	LMO	Audit Committee	Board of Directors
1	24 February 2017	Issued for implementation	ALB	LMO	Audit Committee	Board of Directors
0	23 January 2013	Issued for implementation	ALB	-	Audit Committee	Board of Directors
Rev. No.	Effective Date	Reason for Issue	Prepared by	Concurred by	Reviewed by	Approved by



## AUDIT COMMITTEE TERMS OF REFERENCE

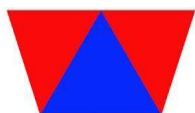
### 1 Purpose

- 1.1 These Audit Committee Terms of Reference are established pursuant to Paragraph 15.11 of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the Malaysian Code on Corporate Governance (“MCCG”) issued by Securities Commission.
- 1.2 The Audit Committee (“AC” or “Committee”), set up under Paragraph 15.09 of the Listing Requirements and MCCG by the Board of Directors (“Board”) of Warisan TC Holdings Berhad (“WTCH” or “Company”), shall assist the Board to fulfil the latter’s responsibilities pertaining to plans, policies and procedures in relation to risk management and internal control, financial reporting, internal and external audit functions of WTCH and its subsidiaries (“Group”), within the authority delegated by the Board, for the effective functioning of the Board in managing and monitoring the Group’s business.

The existence of the AC does not diminish the Board’s ultimate responsibility for decision-making relating to the work of the Committee.

### 2 Membership

- 2.1 The AC shall be appointed by the Board from amongst the Directors and shall comprise no fewer than three (3) members, all of whom must be Non-Executive Directors with a majority of them being Independent Non-Executive Directors.
- 2.2 The AC shall include at least one (1) Director who meets the following criteria set under the Listing Requirements:
- (1) Must be a member of the Malaysian Institute of Accountants; or
  - (2) If he is not a member of the Malaysian Institute of Accountants, he must have at least three (3) years’ working experience and;
    - (a) he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
    - (b) he must be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or
  - (3) fulfils the following requirements, as prescribed or approved by Bursa Securities:
    - (a) at least three (3) years’ post-qualification experience in accounting or finance with either one of the following qualifications:
      - 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
    - (b) 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.



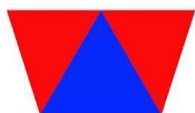
- 2.3 All members of the AC shall be financially literate (i.e., able to read, analyse and interpret financial statements and projections), competent and are able to understand matters under the purview of the Committee, including the financial reporting process of the Company.
- 2.4 Any former partner of the external audit firm of the Company and/or its affiliates (including those in advisory services, tax consulting, etc.) shall observe a cooling-off period of at least three (3) years, from the date of the former partner's retirement or resignation, before being appointed as a member of AC.
- 2.5 No Alternate Director shall be appointed a member of the AC.
- 2.6 AC member may relinquish membership in the Committee with prior written notice to the Board and may continue to serve as Director of the Company.
- 2.7 In the event of any vacancy in the AC which results in a breach of the Listing Requirements, the vacancy must be filled within three (3) months.
- 2.8 The Nominating and Remuneration Committee of the Company shall review the terms of office and performance of the AC and each of its members annually to determine whether the AC and its members have carried out duties in accordance with its terms of reference.

### **3 Authority**

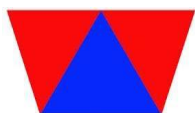
- 3.1 The AC is authorised by the Board, and at the cost of the Company, to:
- (1) investigate any matter within its Terms of Reference;
  - (2) have the resources which are required to perform its duties;
  - (3) have full and unrestricted access to any information pertaining to the Company and any of its subsidiaries;
  - (4) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;
  - (5) be able to obtain independent professional or other advice; and
  - (6) convene meetings with the external auditors, the internal auditors, or both, excluding the attendance of other Directors and employees, whenever deemed necessary.

### **4 Duties and responsibilities of the Committee**

- 4.1 The duties and responsibilities of the AC shall comprise the following:
- (1) review the following and report the same to the Board:
    - (a) the audit plan, the evaluation of the system of internal control and the audit report with the external auditors; the assistance given by employees of the Group to the external auditors;
    - (b) the adequacy of the scope, competency and resources of the internal audit function and that it has the necessary authority to carry out its works;



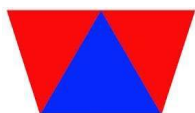
- (c) the internal audit plan, processes, the results of internal audit assessment or investigations undertaken and whether or not appropriate action is taken on the recommendations;
  - (d) the quarterly results and year-end financial statements, before approval by the Board, focusing particularly on:
    - (i) changes in or implementation of major accounting policy changes;
    - (ii) significant matters highlighted, including financial reporting issues, significant judgments made by Management, significant and unusual events or transactions, and how these matters are addressed; and
    - (iii) compliance with accounting standards and other legal requirements;
  - (e) any related party transaction and conflict of interest situation that may arise within the Company or Group, including any transaction, procedure or course of conduct that raises questions of Management integrity;
  - (f) any letter of resignation from the external auditors; and
  - (g) whether there is reason (supported by grounds) to believe that the external auditors are not suitable for re-appointment.
- (2) consider the appointment and re-appointment of external auditors, the audit fee and any questions of resignation or dismissal;
  - (3) assess, review and monitor the suitability, objectivity and independence of external auditors, considering the competency, audit quality and resource capacity of the external auditors in relation to the audit, including obtaining written assurance from external auditors confirming they are, and have been independent throughout the conduct of audit engagement in accordance with all relevant professional and regulatory requirements;
  - (4) approve any appointment or termination of the head of internal audit and review any appraisal or assessment of the performance of the head of internal audit;
  - (5) set, review and approve, as the case may be, a policy and procedure on engagement of external auditors (including policy on non-audit services) which may be provided by the external auditors and/or their affiliates (collectively, the “external auditors”), including the conditions and procedures which must be adhered to by the external auditors in the provision of such services. “Affiliates” refer to corporations or firms in which the external auditors have financial interest and/or business collaboration by virtue of their international branding;
  - (6) approve non-audit services provided by external auditors;
  - (7) consider the major findings of internal investigations and Management’s response;
  - (8) review the risk management framework and sustainability initiatives undertaken by the Group and satisfy that the methodology employed enables the identification, analysis, assessment, monitoring and communication of risks in a timely manner which results in minimising losses and maximising opportunities to the Group;
  - (9) oversee the adoption and application of the Anti-Bribery and Anti-Corruption (“ABAC”) programme, including the adequacy and effectiveness of the ABAC programme;



- (10) review conflict of interest situations which arise or persist (in addition to those that may arise) and the measures taken to resolve, eliminate, or mitigate such conflict of interest; and
- (11) any other function as may be required by the Board, where deemed necessary and appropriate, from time to time.

## **5 Chairman of the Committee**

- 5.1 The Board shall appoint the Chairman of the Committee (“Committee Chairman”), who shall be an Independent Non-Executive Director. The Chairman of the Board shall not be the Committee Chairman.
- 5.2 The main duties and responsibilities of the Committee Chairman shall comprise the following:
  - 5.2.1 Governing the processes of the AC and outlining the procedures and guidelines in relation to the audit process;
  - 5.2.2 Planning and ensuring AC meetings are run efficiently and that each agenda item is thoroughly and thoughtfully discussed by all members of the AC, before being approved;
  - 5.2.3 Overseeing reporting to the Board on all matters within its duties and responsibilities;
  - 5.2.4 Encouraging open discussion during meetings and taking reasonable steps to ensure adequate flow of relevant information to the AC, Management, internal and external auditors including the following:
    - The AC is fully informed about significant matters related to the Company’s audit and financial statements of the Company and the Group, and addresses these matters;
    - The AC appropriately communicates its insights, views and concerns about relevant transactions and events to the internal and external auditors;
    - The AC’s concerns on matters that may have an effect on the financials or audit of the Company are communicated to the external auditors; and
    - The co-ordination between internal and external auditors.
  - 5.2.5 Developing and maintaining active on-going dialogue with Management and both the internal and external auditors;
  - 5.2.6 Assessing the performance of individual AC members and AC on an annual basis, to facilitate the review of performance of AC and its members by the Nominating and Remuneration Committee of the Company;
  - 5.2.7 Taking reasonable steps to advise the Board on the AC’s recommendations on matters falling within the scope of the AC’s responsibilities;
  - 5.2.8 Reviewing the minutes of meetings of the AC circulated for comments and ultimate approval by the AC, including the sign-off of confirmed minutes of meetings; and
  - 5.2.9 Attending the Annual General Meeting, including Extraordinary General Meeting (as appropriate) of the Company to answer any questions on the AC’s activities and on matters that are within the scope of the AC’s responsibilities.
- 5.3 In the event that the chair of the Committee declares a conflict of interest, or the Committee decides that such individual has a conflict of interest, then the Committee shall appoint an alternative member of the Committee to chair the meeting or the relevant section of the meeting.

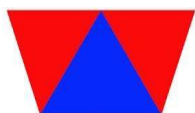


## **6 Committee Secretary**

- 6.1 The Company Secretary of WTCH shall be the Secretary of the Committee (“Committee Secretary”).
- 6.2 The Committee Secretary shall be responsible for drawing up the notice and agenda of meetings in consultation with the Committee Chairman and circulate it, supported by explanatory documentation to members of the Committee prior to each meeting.
- 6.3 The Committee Secretary shall also prepare the written minutes of the Committee meetings and distribute to each member for comments prior to confirmation of the same at AC meeting. The minutes of the Committee meetings shall be kept at the registered office of the Company under the custody of the Committee Secretary.

## **7 Quorum and Meetings**

- 7.1 The quorum for meeting shall be a majority of members who are Independent Non-Executive Directors. Meetings shall be chaired by the Committee Chairman, and in his absence, by an Independent Non-Executive Director appointed from the remaining Committee members. Decision on matter(s) deliberated shall be made by a majority of votes.
- 7.2 The Committee Chairman shall call for meetings to be held not less than four (4) times in a year. In addition to the regular scheduled meetings, ad-hoc or special meetings may be called by any AC member at any time, at the discretion of the Committee Chairman as deemed fit and expedient for the dispatch of business based on these Terms of Reference and subject to the availability of quorum.
- 7.3 A meeting of the Committee may be held either:
- (i) by a number of the Committee members who constitutes a quorum, being assembled together at the place, date and time appointed for the meeting; or
  - (ii) by means of audio, or audio and visual, communication by which all Committee members participating and constituting a quorum can simultaneously hear each other throughout the meeting.
- 7.4 The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting then is.
- 7.5 Unless with the unanimous consent of the Committee for calling the meeting with shorter notice, the notice of meeting together with the relevant papers, shall be circulated at least seven (7) days prior to each Committee meeting.
- 7.6 The Head of Finance, Head of Internal Audit and the Committee Secretary shall normally attend meetings. Other Board members and employees may attend meetings upon the invitation of the Committee to provide explanations required on an agenda item involving them after which they shall be excused from the meeting. A representative of the external auditors shall attend the meetings to table its audit plan and to consider the final audited financial statements, including such other meetings as may be determined by the Committee.
- 7.7 The Committee Chairman shall exercise the right to require those who are in attendance to leave the room when matters to be discussed are likely to be hampered by their presence or confidentiality of matters which needs to be preserved.
- 7.8 An extract of the minutes of a meeting of the Committee which is certified by one (1) of the Committee members and the Committee Secretary shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such minutes have been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Committee.



- 7.9 Each individual Committee member shall abstain from deliberation and voting in respect of any matter which may give rise to an actual or perceived conflict of interest situation.

## **8 Reporting Procedure**

- 8.1 The Committee Chairman shall report to the Board all matters deliberated and the outcome or decision thereof at the meeting, including recommendation of any transactions that requires the Board's approval.
- 8.2 The meetings of the AC shall be conducted transparently, with all proceedings recorded and decisions documented. The AC Minutes shall be circulated to all members of the Board.
- 8.3 The Committee shall prepare its report for the Board and for inclusion in the Company's annual report, a summary of its activities in the discharge of its functions and duties, which shall include any conflict of interest or potential conflict of interest situation within WTCH or the Group that had been reviewed by the AC, and the measures taken to resolve, eliminate, or mitigate such conflicts, for the financial year under review.
- 8.4 The Committee may report to Bursa Securities a matter reported by it to the Board which has not been satisfactorily resolved resulting in a breach of the Listing Requirements of Bursa Securities.

## **9 Review of Terms of Reference**

- 9.1 The Committee shall review the Terms of Reference periodically or as and when required in tandem with changes to regulatory requirements and/or business needs of the Group where the roles and responsibilities of Committee are impacted. Recommendations for any amendments or revisions shall be approved by the Board.

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