

MUDA HOLDINGS BERHAD

TERMS OF REFERENCE OF AUDIT COMMITTEE

W.E.F. 26.8.2025

A	Members	<p>Dato' Hazli Bin Ibrahim (CHAIRMAN) (Independent Non-Executive Director)</p> <p>Mr Wong Choong Yee (Senior Independent Non-Executive Director)</p> <p>Dato' Tan Tian Meng (Independent Non-Executive Director)</p>
B	Membership	<ol style="list-style-type: none"> The Committee shall be appointed by the Board from among their number and shall consist of at least 3 members, a majority of whom are independent and all of whom are non-executive directors. All members of the Committee should be financially literate and at least one member of the Committee:- <ol style="list-style-type: none"> Must be a member of the Malaysian Institute of Accountants; or if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and:- <ol style="list-style-type: none"> he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967; or 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. No alternate director shall be appointed a member of the Committee. No former key audit partner shall be appointed as the member of the Audit Committee until the lapse of at least three years cooling-off period. The members of the Committee shall select a Chairman from among their number who is an independent director and who is not the Chairman of the Board. All members of the Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules. If a member of the Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced below 3, the Board of Director shall, within 3 months of that event, appoint such number of new member as may be required to make up the minimum number of 3 members. The terms of office and performance of the Committee and each of its committee members should be reviewed by the Nomination Committee annually.
C	Authority	<ol style="list-style-type: none"> The Committee is authorized by the Board to investigate any matter within its terms of reference and shall be given the full resources to perform its duties. The Committee shall have full and unrestricted access to any information pertaining to the Company and its subsidiary companies. The Committee is authorized by the Board to obtain external professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The Committee shall have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity.

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D	Functions	<p>The functions of the Committee shall include the following:-</p> <ol style="list-style-type: none"> 1. consider the appointment of external auditor, the audit fee and any question of resignation and dismissal; 2. discuss with the external auditor before the audit commences, the audit plan, nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved; 3. review with the external auditor, his evaluation of the system of internal controls; 4. assess the suitability, objectivity and independence of the external auditors on annual basis; 5. review the quarterly results and year-end financial statements, prior to the approval of the Board of Directors, focusing particularly on:- <ol style="list-style-type: none"> a. any changes in accounting policies and practices; b. significant adjustments arising from the audit including financial reporting issues, significant judgments made by management, significant and unusual events or transactions, and how these matters are addressed; c. compliance with accounting standards and other legal requirements; d. ensuring that the external auditors are well-positioned to identify any inconsistencies or potential risks arising from misalignment between the Company's financial statements and its sustainability-related or other non-financial disclosures; 6. discuss problems and reservations arising from the interim and final audits and any matter the auditor may wish to discuss (in the absence of management where necessary); 7. review the external auditor's management letter and management's response; 8. review the adequacy of the scope, functions and resources of the internal audit function, and that it has the necessary authority to carry out its work and to ensure that the head of internal audit function who shall be responsible for the regular review and or appraisal of the effectiveness of the risk management, internal control, and governance process within the Company reports directly to the Committee; 9. review the internal audit program and results of the internal audit process and where necessary ensure that appropriate actions are taken on the recommendations of the internal audit function; 10. review any appraisal or assessment of the performance of members of the internal audit function; 11. approve any appointment or termination of senior staff members of the internal audit function; 12. take cognizance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning;
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	Functions (Cont'd)	<p>13. To review any related party transaction and conflict of interest situation that may arise or persist within the Company or the Group and the measures taken to resolve, eliminate or mitigate such conflicts;</p> <p>14. consider the major findings or internal investigations and management's response;</p> <p>15. review and advise appropriateness of risk management and effectiveness of internal control systems of the Company and the Group based on reports and information made available to the Committee with assistance from the Internal Auditor, including risks pertaining to sustainability and climate change;</p> <p>16. consider and review, on an annual basis, the Group's Risk Management Framework and ensure that the methodology employed enables the regular identification, analysis, assessment, monitoring, and communication of risks, which includes sustainability and climate-related risks, so as to support effective mitigation, minimize losses, and maximize opportunities;</p> <p>17. oversee the progressive integration of sustainability and climate-related risks and opportunities into the Company's enterprise risk management process, including regular identification and assessment of material sustainability and climate-related risks that may warrant adjustments to the carrying value of assets or liabilities, and review of mitigation or transition plans for managing material risks;</p> <p>18. consider other topics as defined by the Board of Directors;</p> <p>19. the Chairman to engage with senior management, the head of internal audit function and external auditors on regular basis to be kept informed of matters affecting the Company and its subsidiaries;</p> <p>20. to convene meetings with external auditors, the internal auditors or both, excluding attendance of other directors and employees of the Company, whenever deemed necessary; and</p> <p>21. to verify and confirm allocation of options pursuant to the Company's share option scheme as being in compliance with the criteria set out in the By-Law of the share option scheme, if any.</p>
E	Meetings	<p>1. The Committee shall hold at least four (4) meetings per year to review the quarterly results and year-end financial statements of the Company and Group and audit plan of the Company and such additional meetings as the Chairperson shall decide in order to fulfill its duties. In addition, the Chairperson shall call a meeting of the Committee if requested to do so by any Committee member, the management or the internal or external auditor. The Committee may invite any person to be in attendance to assist in its deliberation.</p> <p>2. The Committee shall meet with external auditors without presence of executive board members at least twice a year.</p> <p>3. A meeting of the Committee shall be called by at least five (5) working days' notice in writing or by such shorter notice with the consent of all members concerned.</p> <p>4. The Company Secretary shall be the Secretary of the Committee. The Secretary shall be responsible for keeping the minutes of meetings of the Committee and circulate them to the Committee members and to the other Board members.</p>

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	Meetings (Cont'd)	5. The quorum for the meeting shall consist of a majority of independent non-executive directors.
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