



Wintech Group of Companies :

Wintech Metal Berhad
Wintech Metal Processing Sdn Bhd
Wintech Worldwide Sdn Bhd

Terms of Reference of The Audit and Risk Management Committee

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Reviewed By:	Approved By:
FINANCE DIRECTOR	CEO

OBJECTIVES

The Audit and Risk Management Committee ("**Committee**") of Wintech Metal Berhad ("**Company**") is established to support the Board of Directors of the Company ("**Board**") in fulfilling its fiduciary and oversight responsibilities by providing independent review and monitoring of the Company's financial reporting processes, internal control systems, risk management framework, compliance with applicable laws and regulations, and the performance and independence of internal and external auditors.

The Committee aims to ensure the integrity, transparency and reliability of financial statements, promote a sound risk culture and safeguard the interests of shareholders and stakeholders.

1. MEMBERSHIP

- 1.1 Members of the Committee shall be appointed by the Board amongst its Directors and shall comprise at least three (3) members, all of whom must be Non-Executive Directors, and a majority of whom must be Independent Non-Executive Directors.
- 1.2 The Chairman of the Board must not be a member of the Committee.
- 1.3 All members of the Committee should be financially literate and have sufficient understanding of the Company's business and must be able to read, analyse, interpret and understand the financial statements, and ask pertinent questions about the Company's financial reporting process in order to effectively discharge their functions.
- 1.4 At least one (1) member of the Committee:
 - (a) must be a member of the Malaysian Institute of Accountants ("**MIA**"); or
 - (b) if he/she is not a member of the MIA, the member shall have at least three (3) years' working experience; and
 - (i) must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
 - (ii) 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
 - (c) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("**Bursa Securities**").
- 1.5 No Alternate Director shall be appointed as a member of the Committee.
- 1.6 A former partner of the external audit firm and/or the affiliate firm (including those providing advisory services, tax consulting etc.) of the Company or any entity within the Group is required to observe a cooling-off period of at least three (3) years before being appointed as a member of the Committee.
- 1.7 The term of office, the effectiveness and performance of the Committee and each of its members shall be reviewed by the Nomination Committee annually to determine whether

the Committee and its members have carried out their duties in accordance with this Terms of Reference.

- 1.8 The Committees should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.
- 1.9 Where the members of the Committee for any reason are reduced to less than three (3), the Board shall based on the recommendation of the Nomination Committee, within three (3) months from the occurrence of the event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

2. CHAIRMAN

- 2.1 The Chairman of the Committee shall be an Independent Non-Executive Director.
- 2.2 In the absence of the Chairman of the Committee, the other members of the Committee shall amongst themselves elect a Chairman who must be an Independent Non-Executive Director to chair the meeting.
- 2.3 The Chairman of the Committee shall attend the general meetings of the Company to respond to any queries or concerns regarding the Committee's functions and responsibilities and provide updates on its activities.

3. SECRETARY

The Company Secretary shall be the Secretary of the Committee.

4. QUORUM AND MEETING PROCEDURES

- 4.1 The Committee shall meet at least four (4) times each financial year. The Chairman may request for additional meetings as he considers necessary.
- 4.2 For the Committee's meetings except in the case of an emergency, reasonable notice shall be given to all the members of the Committee.
- 4.3 The Committee meeting may be held at two (2) or more venues within or outside Malaysia using any technology that enables all persons to participate for the entire duration of the meeting. The technology to be used for the purpose of the meeting must be such that all persons taking part in the meeting must be able to communicate simultaneously with each of the other persons taking part in the meeting and may include telephone, television, video conferencing or any other audio and/or visual device which permits instantaneous communication.
- 4.4 A virtual meeting shall be deemed to constitute a Committee meeting provided the following conditions are met:
 - (a) all the Committee members for the time being entitled to receive notice of the Committee meeting shall be entitled to receive notice of a virtual meeting. Notice of any such meeting shall be given by an appropriate form of technology (or in such other manner) as may be permitted by the Constitution of the Company; and

- (b) a Committee member may not leave a virtual meeting by disconnecting from the technology used unless he has previously expressly notified the Chairman of the meeting of his intention to leave the meeting and that Committee member shall be conclusively presumed to have been present and have always formed part of the quorum during such a meeting until such notified time of him leaving the meeting. However, no business is to be transacted at any meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- 4.5 The main venue of the meeting shall be the place where the Chairman or the Chairman of the meeting is present.
- 4.6 The quorum for the meeting shall be two (2) members, who are Independent Non-Executive Directors.
- 4.7 The Company Secretary, in consultation with the Chairman of the Committee, shall draw up the agenda of the meeting. The agenda, notice of the meetings, together with the relevant support papers, shall be circulated at least five (5) business days, or shorter notice where it is unavoidable, reasonable time shall still be ensured in order to facilitate compliance and proper arrangement prior to each meeting to the members of the Committee.
- 4.8 The Company Secretary shall on the requisition of the Chairman of the Committee, summon a meeting of the Committee.
- 4.9 The Committee may, as and when deemed necessary, invite any Board members or any member of management or any employee of the Company or internal and external auditors, who the Committee thinks fit, to attend its meetings to assist and provide pertinent information as necessary.
- 4.10 A matter put to vote at the Committee meetings shall be decided by a simple majority of the votes. In the event of an equality of votes, the Chairman shall be entitled to a second or casting vote. Nonetheless, at meetings where two (2) members are present or when only two (2) members are competent to vote on an issue, the Chairman of the Committee will not have the casting vote.
- 4.11 A member of the Committee who has an interest or is involved directly or indirectly in any matter under consideration by the meeting shall abstain from deliberating and voting.
- 4.12 The Committee shall meet at least once a year with the internal and external auditors without the presence of any executive Board members, management or employees. The Chairman may request for additional meetings if he considers it necessary.
- 4.13 The Committee must, upon the request of the external auditors, convene a meeting to consider any matter the external auditors believe shall be brought to the attention of the Board or shareholders of the Company.
- 4.14 All members of the Committee, including the Chairman, shall hold office only for so long as they serve as a Director of the Company, and their appointment shall automatically be terminated if they cease for any cause to be a Director of the Company. Members of the Committee may relinquish their membership in the Committee with prior written notice to the Board.

5. MINUTES

- 5.1 The Company shall cause minutes of all proceedings of the Committee meeting to be entered in books for that purpose. The minutes of each meeting shall be signed by the Chairman of the meeting at which proceedings were held or by the Chairman of the next succeeding meeting.
- 5.2 The minutes shall be kept by the Company at the Registered Office and shall be open for inspection by any Committee member or Board member.
- 5.3 The minutes of each Committee meeting shall be distributed to the Board members for notation.

6. WRITTEN RESOLUTION

- 6.1 A resolution in writing signed by all members for the time being shall be as valid and effectual as if it had been passed at a meeting of the Committee duly called and constituted.
- 6.2 The resolution may consist of several documents in like form, each signed by one (1) or more Committee members. Such document may be accepted as sufficiently signed by a Committee member if it is transmitted to the Company by any technology purporting to include a signature and/or an electronic or digital signature by the said Committee member.

7. REPORTING

The Committee, through its Chairman, shall report a summary of significant matters to the Board at the next Board meeting after each Committee meeting. When presenting any recommendations to the Board for approval, the Committee will provide such background and supporting information as may be necessary for the Board to make an informed decision.

8. AUTHORITY

The Committee shall in accordance with a procedure to be determined by the Board and at the expense of the Company:

- (a) have explicit authority to investigate any matter within its Terms of Reference;
- (b) have the resources which are required to perform its duties;
- (c) have full and unrestricted access to all information and documents which are required to perform its duties as well as to the internal and external auditors and management of the Group;
- (d) obtain external professional advice or other advice and invite persons such as any other Board members, employees, third party professionals and/or any person(s) with relevant experience to attend its meetings, if necessary;
- (e) have direct communication channels with the external auditors and person(s) carrying out the internal audit function; and

- (f) where the Committee is of the view that the matter they reported to the Board has not been satisfactorily resolved, resulting in a breach of the ACE Market Listing Requirements of Bursa Securities (“**Listing Requirements**”), the Committee shall promptly report such matter to Bursa Securities.

9. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Committee are to review the following and report the findings to the Board:

Financial Reporting

- 9.1 Ensure that the Committee is fully informed about significant and material matters related to the Company's audit and its financial statements and addresses these matters.
- 9.2 Review the quarterly results and the year-end financial statements of the Group, before submission to the Board for approval, focusing particularly on:
 - (a) changes in or implementation of major accounting policy changes;
 - (b) significant matters highlighted including financial reporting issues, significant judgement made by management, significant and unusual events or transactions and how these matters are addressed;
 - (c) significant adjustment arising from the audit;
 - (d) major judgemental areas;
 - (e) the going concern assumption; and
 - (f) compliance with accounting standards, regulatory and other legal requirements.
- 9.3 Understand non-financial information which is relevant in assisting the Committee to gain further insights on the Group's performance and enhance the integrity of financial reporting.
- 9.4 Review and provide advice on whether the financial statements taken as a whole provide a true and fair view of the Company's financial position and performance.
- 9.5 Ask probing questions to ascertain whether the financial statements are consistent with operational and other information known, where there are significant matters requiring judgement.

External Auditors

- 9.6 Consider and recommend to the Board the appointment or re-appointment of external auditors and to fix their fees (audit and non-audit), after assessing their suitability, objectivity, independence and capabilities as well as the effectiveness of the external audit process.
- 9.7 Review the following and report the same to the Board:

- (a) letter of resignation from the external auditors or suggestions for their dismissal, including a copy of any written representations or statement of circumstances in relation to the resignation made by the external auditors, if applicable; and
 - (b) whether there is reason (supported by grounds) to believe that the external auditors is not suitable for re-appointment.
- 9.8 Assess the suitability, objectivity and independence of the external auditors on an annual basis based on the policies and procedures that have been established and the annual performance evaluation of the external auditors undertaken by the Committee. The policies and procedures must include among others consideration on:
- (a) the criteria to guide decisions on the appointment and re-appointment of the external auditors. The criteria should include an assessment of the competence, audit quality and resource capacity of the external auditors in relation to the audit. The assessment should also consider information presented in the Annual Transparency Report of the audit firm. If the Annual Transparency Report is not available, the Committee may engage the audit firm on matters typically covered in an Annual Transparency Report including the audit firm's governance and leadership structure as well as measures undertaken by the firm to uphold audit quality and manage risks;
 - (b) the persons assigned to the audit;
 - (c) the accounting firm's audit engagements;
 - (d) the size and complexity of the Company being audited;
 - (e) the number and experience of supervisory and professional staff assigned to the particular audit;
 - (f) the appropriateness of audit fees to support a quality audit;
 - (g) requirement for non-audit service to be approved by the Committee before they are rendered by the external auditors and its affiliates while taking into account the nature and extent of the non-audit services and the appropriateness of the level of fees;
 - (h) requirement to obtain written assurance from the external auditors 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; and
 - (i) the conduct of an annual evaluation on the performance of the external auditors and undertaking follow-up measures, where required.
- 9.9 Appropriately communicate the Committee's insights, views and concerns about relevant transactions and events as well as concerns on matters that may have an effect on the financials or audit of the Company to the external auditors.
- 9.10 Ensure coordination between the external auditors and the internal auditors.

- 9.11 Review the following with the external auditors and report the same to the Board:
- (a) audit plan, its scope and nature of the audit of the Company and its subsidiaries (“Group”);
 - (b) audit reports on financial statements;
 - (c) evaluation of the system of risk management and internal controls;
 - (d) coordination of audits where more than one audit firm is involved;
 - (e) the assistance given by the employees to the external auditors, including any significant audit findings, reservations, difficulties or disputes with management encountered during audit; and
 - (f) external auditors’ management letter and management’s response thereto.
- 9.12 Discuss problems and reservations arising from the interim and/or final external audits, and any other matters the external auditors may wish to discuss (in the absence of management, where necessary).
- 9.13 Ensure that the external auditors review the Statement of Risk Management and Internal Control (“**SORMIC**”) made by the Board and report the results thereof to the Board.
- 9.14 Where external auditors are removed from office or give notice to the Company of their desire to resign as external auditors of the Company, the Company must forward to Bursa Securities a copy of any written representations or statement of circumstances connected with the resignation made by the external auditors at the same time as copies of such representations or statement of circumstances are submitted to the Companies Commission of Malaysia pursuant to Section 284 of the Companies Act 2016.

Internal Audit

- 9.15 Establish an internal audit function (whether in-house or outsourced) which is independent of the activities it audits and in relation thereto.
- 9.16 Ensure the internal audit function to report directly to the Committee.
- 9.17 Review the adequacy of the scope, competency, resources and budget allocation of the internal audit function, and that it has the necessary authority to carry out its work.
- 9.18 Review the internal audit plan, programme, processes and the reporting structure.
- 9.19 Review the findings of the internal auditor’s reports, internal audit assessments, investigations undertaken and whether or not appropriate actions are taken by the management, based on the recommendations of the internal auditors.
- 9.20 Appropriately communicate the Committee’s insights, views and concerns about relevant transactions and events as well as concerns on matters that may affect the financials or audit of the Company to the internal auditors.

- 9.21 Ensure coordination between the internal auditors and the external auditors.
- 9.22 Review and assess the adequacy and effectiveness of the systems of internal control systems, risk management system, anti-bribery and anti-corruption, whistle-blowing, governance process and accounting control procedures and appropriate systems in place to manage and mitigate risks.
- 9.23 Review and conduct the appraisal or assessment of the performance of the internal audit function on an annual basis.
- 9.24 Review or take cognisance of resignation of internal audit staff member (for in-house internal audit functional) and provide the internal auditors/resigning staff member, an opportunity to submit the reasons for resigning.
- 9.25 Review the assistance given by the employees and management to the internal auditors, including any difficulties or disputes encountered during internal audit.
- 9.26 Review any special audit which the Committee deems necessary.

Committee Report

- 9.27 Produce a Committee Report to be included in the Company's annual report based on the prescribed requirements set out in the Listing Requirements.

Risk Management and Internal Control

- 9.28 Establish an adequate and effective Group's risk management and internal control framework.
- 9.29 Review and assess the Group's level of risk appetite and risk tolerance.
- 9.30 Review the adequacy and effectiveness of the risk management framework, policies and process, including identifying, managing, monitoring and mitigating the significant risks of the Group, as well as evaluate the overall adequacy and effectiveness of the system of internal control and recommend for approval by the Board.
- 9.31 Review significant risks identified (including operational, financial, regulatory compliance, sustainability reporting, reputational and corruption risks) and assess the mitigating actions put in place to manage these risks.
- 9.32 Review the adequacy of resources for managing the risk management and internal control framework.
- 9.33 Review the SORMIC to ensure that relevant information as prescribed in the Listing Requirements are disclosed in the Annual Report.

Related Party Transactions ("RPT"), Recurrent RPT ("RRPT") and Conflict of Interest ("COI")

- 9.34 Establish a comprehensive framework/policy to identify, evaluate, approve and report RPT.

- 9.35 Establish and review the COI Policy to effectively identify, address, and manage COI or potential COI, including those that are actual, potential or perceived in nature.
- 9.36 Monitor, review and report to the Board any RPT, RRPT and COI situation that arose, persist or may arise within the Company or Group, including any transaction, procedures or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate or mitigate such conflicts.
- 9.37 Review and establish whether all RRPT have been carried out in accordance with the mandate approved by the shareholders and are on commercial terms no more favourable to the related parties than those available to third parties and make recommendation to the Board.
- 9.38 Review all non-recurring transactions or corporate proposals involving related parties to ensure that they are in the best interest of our Group and are not to the detriment of the minority shareholders and make recommendations to the Board.

Anti-Bribery & Anti-Corruption

- 9.39 Review the risk assessment carried out pursuant to the Anti-Bribery & Anti-Corruption Policy & Guidelines annually to identify, analyse, assess and prioritise the internal and external corruption risks faced by the Group.
- 9.40 Review the results of all anti-corruption activities undertaken by the Group as well as those incidents reported in accordance with the Whistleblowing Policy & Guidelines.

Whistleblowing

- 9.41 Oversee the implementation and effectiveness of the Whistleblowing Policy & Guidelines to promote transparency, accountability, and ethical conduct within the organisation.
- 9.42 Review and evaluate a whistleblower's disclosure and decide on the next course of action as soon as possible.
- 9.43 Conduct a preliminary investigation to determine the validity of the whistleblower's report on the alleged misconduct.
- 9.44 If the report warrants an investigation, to set up a team to carry out an investigation into the matter using appropriate channels, resources and expertise.
- 9.45 Monitor the progress of the investigation at regular intervals and upon completion of the investigation, to review the report and findings of the investigating team and thereafter, proposed the appropriate action to the Board for their consideration.
- 9.46 Review the key findings of internal investigations and assess Management's response and proposed corrective actions.

Others

- 9.47 Review all financial related reports/statements or any other reports/statements as required by the Listing Requirements, for inclusion in the Annual Report.

- 9.48 Review regulatory and compliance reports, and any other reports within the purview of the Committee.
- 9.49 In compliance with the Listing Requirements, where the Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements, the Committee must promptly report such matter to Bursa Securities.
- 9.50 Verify the allocation of options under a share issuance scheme or the allocation of Shares according to any incentive plan for employees of the Group, if any.
- 9.51 Obtain regular updates from management regarding compliance matters.
- 9.52 Review findings, queries or investigations by the regulatory agencies, if any.
- 9.53 Review implementation and adequacy of Group's business continuity plan.
- 9.54 Report any suspected frauds/irregularities, serious internal control deficiencies, suspected infringement of laws, rules and regulations that warrants the attention of the Committee.
- 9.55 Carry out any other functions that may be mutually agreed upon by the Committee and the Board.

10. REVIEW OF THE TERMS OF REFERENCE

- 10.1 This Terms of Reference shall be periodically reviewed and updated taking into consideration the needs of the Company as well as any development in the rules and regulations that may have an impact on the discharge of the Committee's responsibilities.
- 10.2 This Terms of Reference were reviewed and approved by the Board on 29 September 2025 and is made available for reference on the Company's website at <https://www.wintech.com.my/>.