WINTECH®

Wintech Group of Companies :

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

External Auditors Policy

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Reviewed By:	**Approved By:**
FINANCE MANAGER	CEO

1. INTRODUCTION

1.1 The Board of Directors of Wintech Metal Berhad ("**Company**") ("**Board**") is responsible for the appointment of the Company's External Auditors, as well as for determining its audit fee, taking into consideration advice/recommendation from the Audit and Risk Management Committee of the Company ("**ARMC**"). In accordance with the Terms of Reference of the ARMC, the ARMC is responsible for the assessment of the suitability, objectivity, independence and overall performance of the External Auditors of the Company ("**External Auditors**") to safeguard the quality and reliability of its audited financial statements.

1.2 The purpose of this Policy is to detail the responsibilities, guidelines and procedures of the ARMC regarding the appointment and/or removal of the External Auditors, as laid down in the Terms of Reference of the ARMC, being:

(a) the establishment of policies and procedures for the selection, nomination, appointment and re-appointment of the External Auditors;

(b) the assessment of the suitability, objectivity, independence and overall performance of the External Auditors; and

(c) the establishment of policies and procedures for the provision of non-audit services by the External Auditors.

1.3 This Policy shall be read in conjunction with the Terms of Reference of the ARMC.

2. SELECTION AND APPOINTMENT OF EXTERNAL AUDITORS

2.1 The appointment, resignation and removal of the External Auditors are subject to the provisions of the Companies Act 2016 ("**Act**") and the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

2.2 Pursuant to Section 271 of the Act, the Company shall at each annual general meeting ("**AGM**"), appoint or re-appoint the External Auditors, and the appointed External Auditors shall hold office until the conclusion of the next AGM of the Company.

2.3 Should there be a need to fill a casual vacancy or change of External Auditors, the ARMC shall follow the following procedures for the selection and appointment of new External Auditors:

(a) identify the audit firms that meet the criteria for appointment and request for their proposals of engagement for consideration;
(b) assess the proposals received and shortlist the suitable audit firms;

(c) meet and/or interview the shortlisted audit firms; and
(d) recommend the suitable audit firm to the Board for appointment as External Auditors.

If need be, the ARMC may request the assistance of the Managing Director/Executive Director and/or Chief Financial Officer to facilitate steps (a) to (c) above.

2.4 Once the assessment process is completed, the ARMC shall report to the Board on the process adopted in undertaking the review, the audit firm recommended by the ARMC and the basis for the recommendation.

2.5 In assessing the audit firms, the following criteria shall be taken into consideration:

(a) the audit firm's reputation (including the outcome of any recent inspections on the firm by the Audit Oversight Board of Securities Commission Malaysia or other regulatory bodies);
(b) the adequacy of the experience and resources of the audit firm;
(c) the number of audit staff who will be assigned to the audit engagement and their qualifications and experience;
(d) the profile of the audit firm's major clients, including those in the same or similar industry as the Company and its subsidiaries ("**Group**");
(e) networking ability and competency to address overseas subsidiaries not audited by the audit firm;
(f) audit approach and methodology of the audit firm;
(g) independence of the audit firm;
(h) internal governance processes of the audit firm;
(i) reasonableness of audit fees; and
(j) any other criteria deemed fit by the ARMC.

3. ANNUAL REPORTING

The External Auditors shall:

(a) issue an annual audit plan for review and discussion with the ARMC;
(b) at the conclusion of the audit review, shall discuss findings, significant audit weakness and audit related recommendations with the ARMC and Senior Management; and
(c) provide a management letter to the ARMC upon completion of the annual audit.

4. REVIEW OF EXTERNAL AUDITORS FOR RE-APPOINTMENT

4.1 The ARMC shall carry out an annual assessment on the suitability, objectivity, independence and performance of the External Auditors as well as the effectiveness of the audit process, to facilitate its recommendation to the Board for tabling of the re-appointment of the External Auditors to the shareholders at the AGM.

4.2 In evaluating the External Auditors, the ARMC shall consider the following:

(a) calibre of the audit firm;
(b) quality of audit services;
(c) adequacy of audit scope;
(d) internal quality control procedures of the audit firm;
(e) relationship with the Group;
(f) independence and objectivity;
(g) ability to meet deadlines and respond to issues in a timely manner;
(h) effectiveness of recommendations in addressing weaknesses observed during audit;
(i) timeliness in escalating audit issues to the ARMC and/or the Board;
(j) level of understanding of the Group's business;
(k) competency and adequacy of resources;
(l) appropriateness of the proposed audit fees to support a quality audit;
(m) the audit quality and candour of the audit firm's communications and interactions with the ARMC, Management and the Internal Auditors;
(n) the professional scepticism; and
(o) Annual Transparency Report or if the audit firm is not required to issue such report, then the ARMC shall engage with the audit firm on matters typically covered under such 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.

4.3 The ARMC may seek feedback from Management during the evaluation exercise. The ARMC may also request the Managing Director/Executive Director and/or Chief Financial Officer to join the annual assessment of the External Auditors.

4.4 Where the performance of the External Auditors is assessed as being unsatisfactory, the ARMC shall determine and recommend to the Board the course of action, which may include:

(a) discussion with the External Auditors to resolve performance issues;
(b) request to replace members within the External Auditors' team; or
(c) to commence a competitive tender process to select a new External Auditors in accordance with Item 2 above.

5. INDEPENDENCE OF EXTERNAL AUDITORS

5.1 The External Auditors of the Company shall be independent in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) ("**By-Laws**") of the Malaysian Institute of Accountants ("**MIA**").

5.2 The External Auditors will need to satisfy the ARMC that:

(a) no services will be provided that will result in a conflict of interest;
(b) any services provided in addition to that of the audit function involving non-audit services, would not have a material bearing on the audit and would not involve the External Auditors auditing its own work;
(c) the External Auditors has an audit personnel rotation policy, including lead engagement partner, signing partner, key audit partner and engagement quality control reviewer, requiring rotation at least every seven (7) years or a period as specified by the By-Laws of the MIA and shall observe the cooling-off period in accordance with the By-Laws of the MIA; and
(d) there will be no situations where the External Auditors assume the role of management or where the External Auditors is placed in the role of advocate for the Group.

5.3 The External Auditors shall be required to furnish its written assurance to the ARMC annually, confirming that it is, and has been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

6. NON-AUDIT SERVICES

6.1 The External Auditors shall observe and comply with the By-Laws of the MIA in relation to the provision of non-audit services.

6.2 Before appointing the External Auditors and/or its affiliates to undertake any non-audit services, the ARMC shall take the following into consideration in determining whether the non-audit services may impair the External Auditors' independence and/or objectivity or give rise to a conflict of interest:

(a) whether the skills and experience of the External Auditors make them a suitable service provider of the non-audit services;
(b) whether adequate safeguards have been deployed to eliminate or reduce to an acceptable level any threat to objectivity and independence in the conduct of the audit resulting from the non-audit services provided by the External Auditors; and
(c) the nature and extent of the non-audit services, the actual fee level to be incurred by the Company and on a group basis, relative to the audit fee.

6.3 The following non-audit services shall not be provided by the External Auditors pursuant to the By-Laws of the MIA:

(a) bookkeeping or other services related to the preparation/maintenance of the accounting records or financial statements of the Group;
(b) appraisal or valuation services if the valuations (excluding due diligence services) would have a material effect on the financial statements;
(c) preparation of taxation calculations of current and deferred tax liabilities (or assets) for the purpose of preparing accounting entries that are material to the financial statements;
(d) internal audit services that relate to a significant part of the internal controls over financial reporting, financial accounting systems or amount or disclosures that are material to the financial statements;
(e) design or implementation of financial information systems that form a significant part of the internal control or information on financial reporting, accounting records or financial statements unless the responsibility for the overall systems of internal controls, operations and design of the system rests with the Group;
(f) acting in an advocacy role on behalf of the Company to resolve a dispute or litigation support when the amounts involved are material to the financial statements;
(g) recruitment services with respect to a Director, Officer or Senior Management personnel who would be in a position to exert significant influence over the preparation of accounting records or the financial statements; and
(h) corporate finance services which involve promoting, dealing in, or underwriting the Group's shares.

6.4 The non-audit fees paid or payable to the External Auditors in a financial year shall not be more than 50% of the total amount of audit fees paid or payable to the External Auditors.

6.5 All engagements of the External Auditors or a firm or corporation affiliated to the External Auditors to provide non-audit services are subject to the approval/ endorsement of the ARMC (with the exception of the External Auditors' annual review of the Statement on Risk Management and Internal Control for inclusion in the Annual Report, for which the Managing Director/Executive Director and/or Chief Financial Officer shall be authorised to engage the External Auditors).

6.6 Prior to its engagement, Management shall obtain confirmation from the External Auditors that its independence will not be impaired by the provision of the non-audit services.

7. ROTATION OF AUDIT PARTNER

The audit partners (lead engagement partner, signing partner, key audit partner and engagement quality control reviewer) responsible for the external audit of the Group are subject to rotation at least once every 7 financial years.

8. APPOINTMENT OF A FORMER PARTNER AS COMMITTEE MEMBER

In the event a former partner of the External Auditors of the Group (this applies to all former partners of the audit firm and/or the affiliate firm, including those providing advisory services, tax consulting, etc.) is to be appointed as a member of the ARMC, he/she shall observe a cooling-off period of at least 3 years before such appointment.

For the avoidance of doubt, appointment of a former partner to the Board of Directors may be permitted (subject to compliance with all applicable laws, regulations, and corporate governance requirements). However, such an individual shall not be eligible for appointment to the ARMC until the cooling-off period has lapsed.

9. REVIEW OF POLICY

9.1 This Policy was adopted by the Board on 29 September 2025 and is made available on the Company's website at https://www.wintech.com.my/.

9.2 The ARMC shall review this Policy from time to time and make the necessary amendments taking into consideration the needs of the Group as well as any changes to the Malaysian Code on Corporate Governance, Listing Requirements or any other regulatory requirements to ensure that it continues to remain relevant and appropriate.

9.3 Any amendments to this Policy shall be tabled to the Board for approval and made available on the Company's website.