



**AURELIUS TECHNOLOGIES BERHAD**  
(Company Registration No. 202101005015 (1405314-D))  
(Incorporated in Malaysia)

## **TERMS OF REFERENCE OF THE AUDIT COMMITTEE**

This Terms of Reference sets out the matters concerning the governance of the Audit Committee (“**AC**” or “**Committee**”).

### **1. Purpose**

The primary objective of the Committee is to assist the Board of Directors (“**Board**”) in fulfilling its oversight responsibilities relating to corporate accounting, system of internal controls, management and financial reporting practices of Aurelius Technologies Berhad (“**AT**” or “**Company**”) and its subsidiaries (collectively referred to as “**Group**”).

### **2. Composition**

The Committee members shall be appointed by the Board from amongst their number and shall consist of not less than three (3) members, all of whom must be Non-Executive Directors, with a majority of them being Independent Non-Executive Directors. Chairperson of the Board and alternate director(s) shall not be appointed as member(s) of the Committee [*Practice 1.4 of MCCG*].

Collectively, the Committee members should possess a wide range of necessary skills to discharge its duties. All Committee members should be financially literate, competent and are able to understand matters under the purview of the Committee including the financial reporting process. All Committee members should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules [*Practice 9.5 of MCCG*].

In the event of any vacancy in the Committee which results in non-compliance of paragraph 15.09(1) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) Main Market Listing Requirements (“**MMLR**”), the vacancy shall be filled within three (3) months.

At least one member of the Committee must be qualified under paragraph 15.09(1)(c) of the MMLR.

The Chairperson of the Committee shall be an Independent Non-Executive Director appointed by the Board and is not the Chairperson of the Board [*Practice 9.1 of MCCG*]. If there is any vacancy in the position of the Chairperson of the Committee, the Board shall within three (3) months appoint a new Chairperson of the Committee to fill the vacancy.

Any former audit partner of audit firm and/or the affiliate firm shall observe a cooling-off period of at least three (3) years before being appointed as a member of the Committee [*Practice 9.2 of MCCG*].

### **3. Committee Secretary**

The Secretary of the Committee shall be the Company Secretary or Corporate Secretary.

The Secretary shall draw up an agenda for each meeting, in consultation with the Chairperson of the Committee. Unless otherwise agreed by the members and whenever necessary, the notice of each meeting confirming the venue, date and time together with the brief agenda of the meeting shall be circulated to all members and any other persons who may be required to attend the meeting within a reasonable period prior to the meeting.

#### **4. Meetings**

The Committee members shall have at least four (4) regular meetings a year or as frequently as required or whenever the Chairperson of the Committee feels a need to meet.

The Minutes of each meeting shall be made available to all members of the Board upon request.

The Committee may, as and when deemed necessary, invite other Board members, senior management personnel, a representative of the external auditors and external independent professional advisers to attend the meetings.

The Committee members may participate in a meeting by means of conference telephone, conference videophone or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting. Minutes of such a meeting signed by the Chairperson of the Committee shall be conclusive evidence of any resolution of any meeting conducted in the manner as aforesaid.

A resolution in writing signed or approved via email, letter, telex or facsimile by all Committee members shall be effective for all purposes as a resolution passed at a meeting of the Committee duly convened, held and constituted. Any such resolution may be contained in a single document or may consist of several documents all in the like form signed by one or more members.

#### **5. Quorum**

Majority members present in person who are independent non-executive directors shall be a quorum. In the absence of the Chairperson of the Committee, members present shall elect a Chairperson for the meeting.

#### **6. Authority**

The Committee shall, at the Company's expense, have the following authority and rights:

- (a) Full and unrestricted access to any information and documents from the external auditors and senior management of the Group which are relevant to the activities of the Group.
- (b) Be provided with the necessary resources which are required to perform its duties.

- (c) The right to investigate into any matter within its Terms of Reference and as such, have direct communication channel with the external auditors and persons carrying out the internal audit function of the Group.
- (d) The liberty to obtain independent professional advice and to secure the attendance of such external parties with relevant experience and expertise at its meeting if it considers this necessary.
- (e) Be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Group, whenever deemed necessary.
- (f) May extend invitation to other Board members and officers of the Company to attend a specific meeting, whenever deemed necessary.

## **7. Duties and Responsibilities**

The Committee shall report to the Board either formally in writing, or verbally, as it considers appropriate on the matter within its Terms of Reference.

The Committee shall be responsible for the following:

- (a) To review the audit plan and audit report with the external auditors;
- (b) To review the assistance given by the Company's employees to the external auditors and to meet with the external auditors without executive Board members' presence at least twice a year;
- (c) To review the quarterly results and year-end financial statements of the Company and the Group, prior to the approval by the Board, focusing particularly on:
  - (i) changes in or implementation of major accounting policies 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, regulatories and other legal requirements.
- (d) To review any related party transaction and conflict of interest situation that arose, persist or may arise within the Company and the Group including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts;
- (e) To review the adequacy of the scope, functions, competency and resources of the internal audit functions including appointment and removal, scope of work, performance evaluation and budget relating thereto, and to ensure that it has the necessary authority to carry out its work;
- (f) To review any internal audit plan, processes, the results of the internal audit assessments, processes or investigations undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;

- (g) To review any evaluation made on the systems of internal controls with the internal and external auditors;
- (h) To review and approve non-audit services before services are rendered by the external auditors and its affiliates taking into account the nature and extent of the non-audit services and the appropriateness of the level of the fee [*Guidance to Practice 9.3 of MCCG*];
- (i) To recommend to the Board the appointment or re-appointment of the external auditors at the general meeting, after taking into consideration the assessment of the competence, audit quality, independence and suitability of the external auditors and the appropriateness of audit fees to support a quality audit [*Guidance to Practice 9.3 of MCCG*], and matters relating to the resignation or removal of the external auditors;
- (j) To consider and recommend to the Board any resignation or removal of the external auditors, and to furnish such written explanation or representation from the external auditors to Bursa Securities;
- (k) To review whether there is reason (supported by grounds) to believe that the external auditors are not suitable for re-appointments;
- (l) The Chairperson of the Committee should engage on a continuous basis with senior management, the internal audit and the external auditors in order to be kept informed of matters affecting the Group;
- (m) To prepare and review the AC Report in accordance with paragraph 15.15 of the MMLR of Bursa Securities;
- (n) To report promptly to Bursa Securities on any matter reported by it to the Board, which has not been satisfactorily resolved resulting in the breach of the MMLR of Bursa Securities;
- (o) To review and verify the allocation of share options granted to employees pursuant to the Employees' Share Scheme of the Company, transactions, procedure or course of conduct that raises questions of management integrity; and
- (p) To undertake such other functions as may be agreed by the Committee and the Board.

## **8. Performance Review**

The term of office and performance of the Committee and each of its members shall be reviewed by the Nomination Committee annually to determine whether the Committee members have carried out their duties in accordance with the Terms of Reference.

## **9. Review and Revision of the Terms of Reference**

The Terms of Reference will be reviewed annually or as and when required by the Committee and recommendation be made to the Board for approval on any revision.

**AURELIUS TECHNOLOGIES BERHAD (202101005015 (1405314-D))**  
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This Terms of Reference was approved and adopted by the Board on 18 June 2021, and was last reviewed by the Board on 27 February 2025.