

BEE SAME GROUP BERHAD

[Registration No.: 202501045773 (1647181-D)]

(Incorporated in Malaysia)

TERMS OF REFERENCE OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

("TERMS OF REFERENCE")

DEFINITIONS:

DATE ESTABLISHED

The Committee was established on 24 April 2026.

OBJECTIVES

The principal objective of the Committee is to assist the Board in its statutory and fiduciary duties and responsibilities relating to accounting and reporting practices, internal control, governance processes as well as risk management policies and strategies of the Group. The Committee is responsible for reviewing financial reports from internal and external auditors to validate scope, evaluate existing policies, establish audit quality and ensure compliance with the Group's policies. The Committee will also be responsible for ensuring that proper processes and procedures are in place to comply with all laws, rules and regulations, directives and guidelines established by the relevant regulatory bodies.

COMPOSITION OF THE COMMITTEE

The Committee shall be appointed by the Board from among themselves and shall comprise at least three (3) members. All the Committee members must be non-executive directors, with a majority of them being independent directors.

All members of the Committee, including the Chairperson of the Committee ("Chairperson"), shall hold office so long as they serve as Directors only. Should any member of the Committee cease to be a Director, his/her membership in the Committee will cease forthwith.

All members of the Committee should possess a wide range of necessary skills to discharge their duties and should be financially literate (which includes the ability to read, analyse, interpret and understand financial statements), competent, have a sufficient understanding of the Group's business and are able to understand matters under the purview of the Committee including the financial reporting process. At least one (1) member of the Committee:-

- must be a member of the Malaysian Institute of Accountants ("MIA"); or
- if he/she is not a member of the MIA, he/she must have at least three (3) years' working experience, and –
- he/she must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
- he/she must be a member of one (1) of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or
- must have at least three (3) years' post qualification experience in accounting or finance and –
- has a degree/masters/doctorate in accounting or finance; or
- is a member of any professional accountancy organisation which has been admitted as a full member of the International Federation of Accountants; or

- must have 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; or
- fulfils such other requirements as prescribed or approved by the Exchange.

The Chairperson of the Board and/or any alternate Director must not be a member of the Committee.

A former audit partner of the external audit firm and/or the affiliate firm (including those providing advisory services, tax consulting, etc.) of the Group, shall observe a cooling-off period of at least three (3) years before being appointed as a member of the Committee.

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.

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

Where the number of members of the Committee for any reason are reduced to less than three (3), the Board shall base on the recommendation of the Nomination Committee, within (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.

CHAIRPERSON

The members of Committee shall elect a ChairpersonChairperson from among themselves, who shall be an independent non-executive Director appointed by the Board. The Chairperson shall chair all Committee meetings but in the absence of the Chairperson, the members of the Committee can elect one (1) from amongst themselves, of whom is an independent non-executive Director, to chair the meeting.

The responsibilities of the Chairperson are, among others, as follows:

- ensuring that the Committee is fully informed about significant matters related to the Group's audit and its financial statements and address these matters;
- ensuring that the Committee meetings are conducted efficiently, and each agenda is thoroughly and thoughtfully discussed in all meetings of the Committee;
- ensuring that the Committee appropriately communicates its insights, views and concerns about relevant transactions and events to internal and external auditors;
- overseeing the financial reporting process and highlighting the key matters on the same to the Board; and
- serves as the key contact between the members of the Committee and the Board, as well as senior management and both the internal and external auditors.

SECRETARY

The Secretary shall also be the secretary of the Committee and shall be responsible for the following:

- preparation of the agenda for Committee meetings in consultation with the Chairperson;
- distribution of notice of meeting, agenda items to be discussed and the relevant meeting papers to all the Committee members and other attendees as appropriate at least five (5) days prior to each Committee meeting to enable full and proper consideration to be given to the issues to be discussed on. The notice period may be shortened or waived provided that all the members of the Committee so agree in writing;

- preparation of the minutes of the Committee meetings and to record the matters arising and resolved at said Committee meetings;
- ensure the minutes of the Committee meetings are endorsed by the Chairperson before circulating promptly to all members of the Committee, and that said minutes are made available to the Directors who are not members of the Committee; and
- ensure that the minutes of the Committee meetings are properly kept and made available for inspection during working hours.

MEETINGS

- The Committee shall hold at least four (4) Committee meetings each financial year, or more frequently as deemed necessary. The Chairperson may call for additional meetings to be held when required or upon the request of any other member of the Committee, the internal auditors of the Group or the external auditors of the Group.
- The quorum for the Committee meeting shall be at least two (2) members and the majority of the members present at the Committee meeting must be independent non-executive Directors. No business shall be transacted unless a quorum is present either in person or by telephone, television, video conferencing or any other audio and/or visual device which permits instantaneous communication.
- The Secretary shall on the requisition of the members of the Committee, summon a meeting of the Committee and except in the case of an emergency, reasonable notice of every Committee meeting shall be given in writing sent through the post, facsimile, electronic mail or by any means of telecommunication in permanent written form to all Committee members.
- The other members of the Board and/or employees of the Company may attend the Committee meeting(s) upon the invitation of the Committee.
- Upon the request of the internal auditor or the external auditor, the Chairperson must convene a meeting of the Committee to consider any matter the internal auditor or the external auditor believes should be brought to the attention of the Committee, Directors or the shareholders of the Company. Notwithstanding the above, 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.
- Each member of the Committee is entitled to one (1) vote in deciding on the matters deliberated in the Committee meeting.
- The decision that gains the majority votes shall be the decision of the Committee. In the event of an equality of votes, the Chairperson shall be entitled to a second or casting vote. The Chairperson shall not have a casting vote when only two (2) members (one of whom is the Chairperson) form a quorum or when only two (2) members are competent to vote on the question at issue.
- Members of the Committee may participate in a meeting in two (2) or more venues by means of conference telephone call, conference videophone call or any similar or other communications method 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 and shall satisfy the quorum requirement.
- The main venue of the meeting shall be the venue where the Chairperson of the meeting is present.
- Questions arising at any meeting of the Committee shall be decided by a simple majority of votes and a determination by a simple majority of members shall for all purposes be deemed a determination of the Committee.
- The Chairperson shall report on matters discussed and reviewed at each Committee meeting to the Board.
- Any member of the Committee who has an interest or is involved directly or indirectly in any matter under consideration by the meeting, must declare his/her interest in the matter and shall abstain from deliberating and voting on said matter.

MINUTES

The minutes of each meeting shall be kept at the registered office and distributed to each member of the Committee and also to the other members of the Board who are not in the Committee, for notation. The Chairperson shall report on the proceedings of each Committee meeting to the Board.

The minutes of the Committee meeting shall be signed by the Chairperson of the meeting at which the proceedings were held or by the Chairperson of the next succeeding meeting and if so signed, shall be conclusive evidence of the proceedings of the meeting duly held.

The Committee members may inspect the minutes of the Committee at the registered office or such other place as may be determined by the Committee.

AUTHORITY

The Committee shall, in accordance with a procedure to be determined by the Board and at the cost of the Company, have the following authority:

- approve any appointment or termination of senior staff members of the internal audit function;
- convene meetings with the external auditors, excluding the attendance of other Directors and employees of the Group, whenever deemed necessary and such meetings with the external auditors shall be held at least once a year;
- select, engage and obtain independent professional advice and invite persons with relevant experience to attend its meetings, if necessary, at the cost of the Company, to enable the Committee to carry out its duties;
- investigate any matter within this Terms of Reference, and all employees of the Group are required to comply with requests made by the Committee;
- have the resources and 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, the Group and the senior management;
- have access to advice and services of the Secretary; and
- have direct communication channels with the external auditors, internal auditors, and also to engage the senior management on a continuous basis, including the CEO and the Chief Financial Officer in order to be kept informed of matters affecting the Group.

RESPONSIBILITIES AND DUTIES

In fulfilling its primary objectives, the Committee undertakes, amongst others, the following responsibilities and duties:

- Review the Group's quarterly results and year-end financial statements before the approval of the Board, focusing particularly on the following:
 - changes in or implementation of major accounting policy changes;
 - significant matters highlighted including financial reporting issues, significant judgments made by the management, significant and unusual events or transactions, and how these matters are addressed;
 - significant adjustments arising from the audit;
 - major judgement areas;
 - compliance with accounting standards and other legal requirements; and
 - the going concern assumption.
- External Audit

- To consider the nomination and appointment of external auditors after taking into consideration the adequacy of experience and resources of the external auditors, the degree of their objectivity and independence (including obtaining 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), the persons assigned to the audit, the external auditors' audit engagements, the size and complexity of the Group being audited, the number and experience of supervisory and professional staff assigned to the particular audit and the appropriateness of audit fees to support a quality audit.
- To review any letter of resignation from the external auditors and any questions of resignation or dismissal, and report the same to the Board.
- To discuss with the external auditors, prior to the commencement of audit, the audit plan which states the nature and scope of audit and ensure co-ordination where more than one (1) audit firm is involved.
- To review major audit findings arising from the interim and final external audits, the audit report and the assistance given by the Group's employees to the external auditors.
- To review with the external auditors, the audit report, their evaluation of the system of internal controls, their management letter and management's responses.
- To review whether there is reason (supported by grounds) to believe that the external auditors are not suitable for re-appointment, and report the same to the Board;
- Discuss the contracts for the provision of non-audit services which can be entered into and procedures that must be followed by the external auditors. The contracts cannot be entered into should include management consulting, policy and standard operating procedures documentation, strategic decision and internal audit; and
- To conduct an annual assessment on the suitability, objectivity and independence of the external auditors to safeguard the quality and reliability of audited financial statements.
- Report the following to the Board after reviewing with the external auditors:
 - audit plan, its scope and nature, including any changes to the scope of the audit plan;
 - audit report;
 - evaluations of the system of internal controls;
 - the assistance given by the employees and management to the external auditor, including any difficulties or disputes encountered during audit;
 - external auditors' management letter and management's response thereto; and
 - any significant audit findings, reservations, difficulties encountered or material weaknesses reported by the external auditors.
- Internal Audit

To review the following in respect of internal audit:

- mandate the internal audit function to report directly to the Committee;
- the adequacy of scope, competency and resources of the firm of internal auditors (that was engaged to undertake the internal audit function) and that it has the necessary authority to carry out its work;
- the internal audit plan, processes or charter, programme, processes, reporting structure, the results of the internal audit assessments, investigation undertaken and ensure that appropriate actions are taken on the recommendations of the Committee;
- the major findings of internal audit investigations and management's response, and ensure that appropriate actions are taken on the recommendations of the internal audit function;
- the appraisal or evaluation on the performance of the internal audit function on an annual basis;
- the assistance given by the employees and management to the internal auditors, including any difficulties or disputes encountered during the internal audit;

- review and approve any appointment, termination or resignation of the internal auditors, the internal audit fee and any question of resignation or dismissal; and
- review and decide on the budget allocated to the internal audit function.
- Report the following to the Board after reviewing with the internal auditors:
 - the annual audit plan which is risk-based and focused on significant risk areas to ensure adequate scope and comprehensive coverage over the activities of the Group and that it has the necessary authority to carry out its work;
 - effectiveness of the internal audit processes as well as the adequacy of the resource requirements, competency and the budget of the internal audit function;
 - the internal audit report containing the internal audit findings, commentaries and recommendations and to follow-up on remedial actions;
 - effectiveness of the internal control systems and risk management systems and have them considered if necessary; and
 - external auditors' report of deficiencies in internal control and management's response.
- Review the annual statement of risk management and internal control to be published in the annual report and report the same to the Board.
- Review any related party transaction, recurrent related party transaction and conflict of interest situations that arose, persist or may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity, as well as the measures taken to resolve, eliminate, or mitigate such conflicts, and report the same to the Board.
- Assess processes and procedures to ensure compliance with relevant laws, rules and regulations, directives and guidelines established by the relevant regulatory bodies.
- To oversee the sustainability management of the Company, including to review the sustainability statement as required by the Listing Requirements for inclusion in the Company's annual report.
- To oversee the anti-bribery management of the Company, including to periodically review the adequacy and appropriateness of anti-bribery and corruption policy.
- To appoint a compliance officer or the Chairperson to serve as a reporting channel role for whistleblowers who are concerned about speaking or by email of his/her concern.
- To carry out any other function that may be mutually agreed upon by the Committee and the Board.
- Risk Management
 - To review and oversee the adequacy of the Group's risk management framework and policies as well as assess the resources and knowledge of the management and employees involved in the risk management process.
 - To review the effectiveness of internal control systems deployed by the management to address the risks.
 - To review and recommend corrective measures undertaken to remedy failings and/or weaknesses.
 - To review and further monitor principal risks that may affect the Group directly or indirectly and if deemed necessary, recommend additional course of action to mitigate such risks.
 - To monitor and communicate the risk assessment results to the Board.
 - To highlight the actual and potential impact of any failing or weakness, particularly those related to financial performance or conditions affecting the Group.
- Share Issuance Scheme
 - To disclose to employees the criteria for the allocation of options pursuant to a share issuance scheme.
 - To ensure that the allocation of options pursuant to a scheme is verified by the Committee, as being in compliance with the criteria referred to in sub-rule (a) above, at the end of each financial year.

COMMUNICATION TO THE BOARD

The Committee shall prepare a report at the end of each financial year concerning its activities in compliance with this Terms of Reference to be tabled to the Board and for inclusion in the Group's annual report. The minutes of each Committee meeting shall be tabled to the Board for notation.

The Committee may from time to time submit to the Board its recommendation on matters within its purview, for the Board's decision.

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 the Exchange.

ELECTED MEMBERS

For information on the current members of the Committee, please refer to the Corporate Information section, under “Investor Relations” on the Company’s corporate website at: [please insert]

CIRCULAR RESOLUTION

A resolution in writing signed by a majority of the members of the Committee shall be valid and effectual as if it had been passed at a meeting of the Committee. All such resolutions shall be forwarded or otherwise delivered to the Secretary without delay and shall be recorded by the Secretary in the minutes book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more members of the Committee. The expressions "in writing" or "signed" include approval by legible confirmed transmission by facsimile, , cable, telegram or other forms of electronic communications.

REVIEW OF THIS TERMS OF REFERENCE

The Committee shall recommend any changes to this Terms of Reference in such manner as the Committee deems appropriate to the Board for approval. This Terms of Reference shall be assessed, reviewed and updated where necessary or when there are changes to the Malaysian Code of Corporate Governance, the Listing Requirements or any other regulatory requirements that affect this Terms of Reference. This Terms of Reference should also be reviewed and updated by the Board when there are changes to the direction or strategies of the Group that may affect the Committee’s role. This Term of Reference will be made available on the Company’s website.

This Terms of Reference was adopted by the Board on 24 April 2026.

END

e being, by whatever name called, and whether or not he/she is a director.

urities Berhad including any relevant practice and/or guidance notes, directives, guidelines issued pursuant thereto and any amendment, modification,

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number of them as have authority to act for the Company.

ties of a secretary of the Company including any person(s) appointed temporarily and any representative of the secretary.
