

Audit and Risk Committee Charter

1. Composition of the Audit and Risk Committee

The Board of Mader Group Limited (**Company**) shall appoint the members of the Audit and Risk Committee and review the composition of the Audit and Risk Committee at least annually. The Audit and Risk Committee will comprise:

- (a) at least three members, all of whom are financially literate (that is, able to read and understand financial statements);
- (b) only non-executive directors of the Board, a majority of whom should, if practical, be independent;
- (c) an independent chairman appointed by the Board and who is not the Chairman of the Board; and
- (d) at least one member with relevant qualifications and experience (that is, a qualified accountant or other finance professional with experience of financial and accounting matters).

Some members of the Audit and Risk Committee should have an understanding of the industry in which the Company operates.

From time to time, non Audit and Risk Committee members may be invited to attend Audit and Risk Committee meetings, if it is considered appropriate.

2. Role of the Audit and Risk Committee

The Audit and Risk Committee's role is to:

- (a) monitor and review the integrity of the financial reporting of the Company, reviewing significant financial reporting judgments;
- (b) review the Company's internal financial control system and risk management systems including the Company's Risk Management and Internal Compliance and Control policy;
- (c) monitor management's performance against the Company's risk management framework, including whether it is operating within the risk appetite set by the Board;
- (d) receiving reports from management on its reviews on the adequacy of the Company's processes for managing risk and recommendations for changes to the risk management framework or risk appetite;

- (e) receiving reports from management on the identification of new and emerging risks that might impact upon the achievement of the Company's goals and objectives, and the risk controls and mitigation measures that management has in place to deal with those risks;
- (f) monitor, review and oversee the external audit function including matters concerning appointment and remuneration, independence and non-audit services;
- (g) monitor and review compliance with the Company's Code of Conduct;
- (h) reviewing any material incident involving fraud or a break-down of the Company's risk controls and "lessons learned"; and
- (i) perform such other functions as assigned by law or the Company's Constitution.

3. Meetings

- (a) The Audit and Risk Committee shall meet at least half yearly, with further meetings on an as required basis.
- (b) The minimum quorum for an Audit and Risk Committee meeting is two members.
- (c) The secretary of the Audit and Risk Committee is the Company Secretary.
- (d) Minutes of each Audit and Risk Committee meeting are to be kept and should ordinarily be included in the papers for the next Board meeting.
- (e) Audit and Risk Committee meetings are to be governed by the same rules as set out in the Company's Constitution, as they apply to meetings of the Board.

4. Authority and Resources

- (a) The Audit and Risk Committee may seek provision of educational information on accounting policies and other financial topics relevant to the Company to assist in fulfilling their duties.
- (b) The Audit and Risk Committee may seek explanations and additional information from senior management and employees of the Company. Further, the Audit and Risk Committee may seek explanations and additional information from the Company's external auditors, without management present, when required.

- (c) When considered necessary or appropriate, the Audit and Risk Committee may conduct or authorise investigations and may retain independent legal, accounting or other advisors at the Company's expense.

5. Reporting to the Board and Shareholders

The Audit and Risk Committee should report to the Board, at least annually, on all matters relevant to the Audit and Risk Committee's role and responsibilities, including the following matters:

- (a) assessment of whether external reporting is consistent with the Audit and Risk Committee members' information and knowledge and is adequate for shareholder needs;
- (b) assessment of the management processes supporting external reporting;
- (c) procedures for the selection and appointment of the external auditor and for the rotation of external audit engagement partners;
- (d) recommendations for the appointment or, if necessary, the removal of the external auditor;
- (e) assessment of the performance and independence of the external auditors. Where the external auditor provides non-audit services, the report should state whether the Audit and Risk Committee is satisfied that provision of those services has not compromised the auditor's independence;
- (f) assessment of the performance and objectivity of the internal audit function;
- (g) the results of the Audit and Risk Committee's review of risk management and internal control systems and the adequacy of the Company's processes for managing risk; and
- (h) recommendations for the appointment, or if necessary, the dismissal of the head of internal audit.

The Chair of the Audit and Risk Committee is to be present at the annual general meeting to answer questions, through the Chair of the Board.

6. Responsibilities

Annual responsibilities of the Audit and Risk Committee are as set out in the Audit and Risk Committee Charter – Annual Action Points contained in Schedule 1.

Schedule 1 – Audit and Risk Committee Charter – Annual Action Points

- 1.** Financial Reporting and Internal Controls
 - (a) Review half-year, annual and, if applicable, quarterly financial statements.
 - (b) Assess management's selection of accounting policies and principles.
 - (c) Consider the external audit of the financial statements and the external auditor's report thereon including an assessment of whether external reporting is consistent with the Audit and Risk Committee members' information and knowledge.
 - (d) Consider internal controls including the Company's policies and procedures to assess, monitor and manage financial risks (and other business risks if authorised).
 - (e) Assess if the external auditor's report is adequate for shareholder needs.

- 2.** Annual meeting with External Auditor
 - (a) Discuss the Company's choice of accounting policies and methods, and any recommended changes.
 - (b) Discuss the adequacy and effectiveness of the Company's internal controls.
 - (c) Discuss any significant findings and recommendations of the external auditor and management's response thereto.
 - (d) Discuss any difficulties or disputes with management encountered during the course of the audit including any restrictions or access to required information.

- 3.** External Auditor
 - (a) Review the Company's procedures regarding the external auditor.
 - (b) Make recommendations to the Board on the appointment, re-appointment or replacement of the external auditor and the terms on which the external auditor is engaged.
 - (c) Establish/review permissible services that the external auditor may perform for the Company and pre-approve all audit/non-audit services.
 - (d) Confirm the independence of the external auditor, including reviewing the external auditor's non-audit services and related fees.

- (e) Assess the overall performance of the external auditor.
- (f) Ensure the external auditor is invited to the Annual General Meeting and is available to answer questions from Shareholders relevant to the audit.

4. Internal Communications and Reporting

Provide the report described in clause 5 of the Audit and Risk Committee Charter.

5. Risk Management

- (a) Approve management's overall risk management strategy for the Company and ensure the required actions are resourced appropriately.
- (b) Ensure that the Company identifies, reviews and regularly updates the profile of the principal strategic, operational and financial risks to which it is exposed and has assessed the appropriateness of the steps the Company has taken to manage these risks.
- (c) Develops a risk profile describing the material risks facing the Company and review trends on the risk profile, reports on specific risks and the status of the risk management process.
- (d) Monitor performance of management in implementing risk management responses and internal control rectification activities and ensure that there are appropriate systems for identifying and monitoring risks in place and that these are operating as intended.
- (e) Review the effectiveness of the Company's implementation of the risk management system.

6. Other

- (a) Verify the composition of the Audit and Risk Committee is in accordance with the Audit and Risk Committee Charter.
- (b) Review the independence of each Audit and Risk Committee member based on the Company's policy on assessing the independence of Directors in the Board Charter.
- (c) Review and assess the adequacy of the Audit and Risk Committee Charter and Action Points and recommend to the Board for its approval any modifications to this Charter as considered necessary.
- (d) Develop and oversee procedures for treating complaints or employee concerns received by the Company regarding accounting, internal accounting controls, auditing matters and breaches of the Company's Code of Conduct.