

# Audit Committee Charter

## 1 Purpose

The Audit Committee is established by the Board to oversee the accounting and financial reporting processes of the Group and the audits of the financial statements of the Group in accordance with applicable accounting standards, on a stand-alone as well as on a consolidated basis.

## 2 Organization

- (a) Except as otherwise permitted by the applicable Nasdaq and SEC rules, the Audit Committee shall consist of at least 3 members, which are deemed by the Board to be independent and who meet independence and experience requirements of Nasdaq, except as otherwise permitted by the applicable Nasdaq rules.
- (b) The Audit Committee members are appointed by the Board and may be removed by the Board at any time. The Board shall designate the Chairman of the Committee.
- (c) The chairman of the Audit Committee, in consultation with the other committee members, shall determine the frequency and length of the committee meetings and shall set meeting agendas consistent with this charter. The Audit Committee shall meet at least quarterly.
- (d) Subject to this charter and the Regulations, the Compensation Committee shall organize itself.

## 3 Responsibilities

The members of the Audit Committee shall jointly discharge the following responsibilities:

### 3.1 Independent Auditor

The Audit Committee shall

- (a) be directly responsible for the compensation, retention and oversight of the work of any auditor or accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Group. Each such auditor shall report directly to the Audit Committee. The Audit Committee shall evaluate the performance of the audit firm and propose a candidate to the Board for submission to the AGM.
- (b) pre-approve the audit services and non-audit services to be provided by AMHAG's independent auditor before the auditor is engaged to render such services.
- (c) discuss with the independent auditor its responsibilities under generally accepted auditing standards, review and approve the planned scope and timing of the independent auditor's annual audit plan(s) and discuss significant findings from the audit, including any problems or difficulties encountered.
- (d) obtain and review a report or reports from the AMHAG's independent auditor:
  - i) describing all relationships between the independent auditor and the AMHAG consistent with the applicable requirements of the PCAOB regarding the independent auditor's communications with the audit committee concerning independence; and

- ii) the Audit Committee shall confirm and evaluate the rotation of the audit partners on the audit engagement team partners as required by law.

#### **4 Financial Statements; Disclosure and Other Risk Management and Compliance Matters**

The Audit Committee shall:

- (a) review and approve the Company's and the Group's quarterly financial statements, the for the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> quarter of each calendar year.
- (b) prepare the annual report and 20-F in collaboration with the EMC and submit it to the Board for approval;
- (c) review the annual financial statements of the Company and the Group and the corresponding financial results release and submit them to the Board for approval;
- (d) review with the EMC and the independent auditor, in separate meetings whenever the Audit Committee deems appropriate:
  - i) any analyses or other written communications prepared by the EMC and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative IFRS methods on the financial statements; and
  - ii) the critical accounting policies and practices of the Group.
- (e) in conjunction with the CEO and CFO, review the Group's disclosure controls and procedures and internal control over financial reporting. The review of internal control over financial reporting shall include whether there are any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to affect the Group's ability to record, process, summarize and report financial information and any fraud involving management or other employees with a significant role in internal control over financial reporting.
- (f) review and discuss with the independent auditor any audit problems or difficulties and the response of the management thereto, including those matters required to be discussed with the Audit Committee by the auditor pursuant to established auditing standards, such as:
  - i) any restrictions on the scope of the independent auditor's activities or on access to requested information;
  - ii) any accounting adjustments that were noted or proposed by the auditor but were "passed" (as immaterial or otherwise);
  - iii) any communications between the audit team and the audit firm's national office regarding auditing or accounting issues presented by the engagement;
  - iv) any management or internal control letter issued, or proposed to be issued, by the auditor; and
  - v) any significant disagreements between the management and the independent auditor.
- (g) be directly responsible for the resolution of disagreements between the EMC and the auditor regarding the Group's financial reporting.
- (h) establish procedures for:

- i) the receipt, retention and treatment of complaints received by the Group regarding accounting, internal accounting controls or auditing matters, and
- ii) the confidential, anonymous submission by employees of the Group of concerns regarding questionable accounting or auditing matters.

## **5 Related Person Transactions**

The Audit Committee shall approve or ratify any Related Person Transaction (as defined in the AMHAG's Related Person Transaction Policy) in accordance with the AMHAG's Related Person Transaction Policy.

## **6 Reporting to the Board**

The Audit Committee shall periodically review and assess the adequacy of this charter and recommend any proposed changes to the Board.

## **7 Authority and Delegations**

The Audit Committee is authorized (without seeking Board approval) to retain special legal, accounting or other advisers and may request any executive officer or employee of the Company or the Company's outside counsel or independent auditor to meet with any members of, or advisers to, the Audit Committee.

The Audit Committee shall have available appropriate funding from the Company as determined by the Audit Committee for payment of:

- (a) compensation to any accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company;
- (b) compensation to any advisers employed by the Audit Committee; and
- (c) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.