

AUDIT AND FINANCE COMMITTEE CHARTER

**EDU Holdings Limited
ACN 108 962 152**

Adopted on 12 August 2022

AUDIT AND FINANCE COMMITTEE CHARTER

1 THE PURPOSE AND ROLE OF THE COMMITTEE

The Audit and Finance Committee (**Committee**) is a committee of the Board of Directors of EDU Holdings Limited ACN 108 962 152 (**Company**), established in accordance with clause 15.10 of the Company's Constitution.

The purpose of the Committee is to assist the Board in the effective discharge of its responsibilities for:

- (a) financial and corporate reporting; and
- (b) audit matters.

The Committee may delegate all or a portion of its responsibilities to a subcommittee of the Committee. However, the Board retains ultimate responsibility for these matters.

The Committee will, in discharging its duties, seek to co-ordinate its activities with the Risk and Compliance Committee and the Remuneration and Nomination Committee where appropriate. The Chair of each Committee must liaise with each other on an ongoing basis to ensure that material matters are not overlooked by the three Committees.

2 MEMBERSHIP AND STRUCTURE

2.1 Membership and appointment

The Board will review and/or appoint the Committee annually and where practicable, ensure that the Committee will consist of:

- (a) a minimum of two members of the Board;
- (b) only non-executive Directors; and
- (c) where practicable, a majority of independent Directors (as assessed by the Board in accordance with the Board Charter).

The Board may appoint additional non-executive Directors to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the Board.

Members of the committee will, between them, have financial and accounting experience, relevant technical knowledge and an understanding of the industries in which the Company operates.

2.2 Chair

Where practicable the Chair of the Committee will:

- (a) be an independent non-executive Director; and
- (b) will not be the Chair of the Board.

In the absence of the Committee Chair, one of the Committee Members (either nominated by the Committee Chair or elected by the Committee) will act as the Committee Chair for that meeting.

2.3 Secretary

The secretary of the Committee will be the Company Secretary.

3 MEETINGS OF THE COMMITTEE

3.1 Meetings

- (a) Any member of the Committee may call a meeting of the Committee.
- (b) The Committee will meet at least twice annually, and more frequently if it is deemed necessary to fulfil its role.
- (c) Notice will be given to every member of the Committee, of every meeting of the Committee, at the member's advised address (including electronic email address) for service of notice (or such other pre-notified interim address where relevant).
- (d) The quorum is two members of the Committee.
- (e) Directors (who are not members of the Committee) may attend meetings of the Committee.
- (f) The Committee may invite any person to attend all or part of a meeting of the Committee. The Chief Executive Officer, the Chief Financial Officer and other managers will be invited as required.
- (g) The Board will disclose in the Company's Annual Report the number of times the Committee met throughout the relevant reporting period and the individual attendances of the members of the Committee at the meetings held throughout the period.

3.2 Voting

- (a) Each member shall have one vote.
- (b) The Chair will not have a second or casting vote.

3.3 Minutes

- (a) Minutes of Committee meetings will be prepared by the Secretary, approved by the Chair in draft and circulated to all members.
- (b) The minutes of a Committee meeting will be approved at the next Committee meeting and signed by the Chair.

3.4 Reporting

The Chair of the Committee will report on the actions and recommendations of the Committee to the Board at the next Board meeting following a meeting of the Committee. All Directors will be permitted, during a Board meeting, to request information from the Chair of the Committee or members of the Committee.

4 ROLES AND RESPONSIBILITIES OF THE COMMITTEE

4.1 Financial and corporate reporting

In the area of financial and corporate reporting, the responsibilities of the Committee are to:

- (a) oversee the Company's financial and corporate reporting and disclosure processes and internal control framework;
- (b) assist the Board in determining the reliability and integrity of accounting policies and financial reporting and disclosure practices to ensure that the financial statements reflect a true and fair view of the financial position and performance of the Company;
- (c) approve the Company's accounting policies and principles that are required to be reported in the notes to the financial statements (**Accounting Policies**) and changes to the Accounting Policies, review and assess the appropriateness of those Accounting Policies, including conformance with relevant accounting and reporting standards and, where appropriate (without limiting the Committee's powers to approve accounting policies and settle interpretation of accounting policies and standards), referring material changes to the Board;
- (d) review the process implemented to support the certifications to be provided by the Chief Executive Officer and the Chief Financial Officer in respect of the Company's financial reports and the related certifications in respect of risk management and internal control, and ensure appropriate disclosure of such processes (where required) in materials released on ASX;
- (e) review all financial statements and reports which are required to be published and/or signed by Directors prior to approval by the Board. The review of financial statements and reports should include a discussion with the external auditor of accounting issues, accounting policies adopted and the proposed audit (or review) report. Subject always to ultimate Board approval of the published financial statements, the Committee has authority to approve accounting issues raised, review and interpret accounting policies adopted and the proposed audit (or review) report;
- (f) review the Annual Report, Directors' Report (including the Remuneration Report) and any other report of management which is required by law to accompany any published financial statements (to the extent that such a report discusses the financial position or performance) before approval by the Board, including assessing whether the Company's external reporting is consistent with the Committee members' information and knowledge, and is adequate for shareholder needs;
- (g) review any statements or commentary to be released to ASX to accompany the half-year or annual financial statements;
- (h) if requested by the Board, review any statements or commentary to be released to ASX as part of the quarterly reporting (if any);
- (i) ensure that procedures are in place which are designed to verify the existence and effectiveness of accounting and financial systems and other systems of internal control which relate to financial risk management; and
- (j) review and monitor related party transactions and assess their propriety.

4.2 Audit

In the area of audit, the responsibilities of the Committee are to:

- (a) make recommendations to the Board on the appointment, reappointment or replacement of the head of internal audit (if any);
- (b) review and oversee the scope and adequacy of any internal audit work plan (if any);
- (c) review and monitor the independence, objectivity and performance of any internal audit function (if any);
- (d) make recommendations to the Board on the appointment, reappointment or replacement of the external auditor;
- (e) review and agree with the external auditor the terms of engagement for the external auditor, including fees;
- (f) oversee arrangements relating to the rotation of the audit engagement partner;
- (g) establish the scope of the audit for Board approval;
- (h) monitor the effectiveness of the external audit, placing emphasis on areas where the Committee or the external auditor believes special attention is necessary;
- (i) review the performance and effectiveness of the external auditor after the completion of each end-of-year audit. In evaluating the external auditor, the Committee will consider:
 - (i) the comprehensiveness of the external audit plan;
 - (ii) the timeliness and quality of communications promised under the plan and those delivered during the audit;
 - (iii) the independence of the external auditor;
 - (iv) the competency and industry knowledge of the external audit staff; and
 - (v) the adequacy and availability of resources to achieve the scope of work outlined in the external audit plan;
- (j) develop and oversee the implementation of the Company's policy on the engagement of the external auditor to supply non-audit services and ensure compliance with that policy; and
- (k) provide confirmation to the Board as to whether the Committee is satisfied that the provision of non-audit services is compatible with the general standard of independence, and an explanation of why those non-audit services do not compromise audit independence, in order for the Board to be in a position to make the statements required by the *Corporations Act 2001* (Cth) to be included in the Company's Annual Report.

5 AUTHORITY AND ACCESS

In carrying out its responsibilities, the Committee:

- (a) will have access to the company records and any other document, report, material or information in the possession of an employee or external adviser of the Company, as reasonably necessary to perform its functions; and
- (b) may invite an employee, the external auditor or any other person to attend a meeting of the Committee, including without management present for the purpose of seeking explanations and additional information from a person.

The Committee may seek the advice of independent advisers on any matter relating to the powers, duties or responsibilities of the Committee.

The Committee may initiate special investigations as it sees fit, or as directed by the Board, in relation to matters set out in this Charter.

6 COMMITTEE PERFORMANCE

The Board will:

- (a) review the membership of the Committee at least annually to ensure an appropriate balance of expertise, skills and experience; and
- (b) make an evaluation of the performance of the Committee at least annually to determine whether it is functioning effectively by reference to current best practice.

7 REVIEW OF CHARTER

This Charter will be reviewed periodically and updated as required to ensure it remains consistent with the Board's objectives and developments in current law and practice. The latest version of this Charter can be found on the Company's website or obtained from the Company Secretary.

8 MATERIAL REVISIONS

VERSION	APPROVAL DATE	EFFECTIVE DATE	DETAILS
1.1	12 August 2022	12 August 2022	Charter approved by resolution of the Board.
1.0	23 February 2022	25 February 2022	Charter approved by the Board.