



TRADELINK ELECTRONIC COMMERCE LIMITED
貿易通電子貿易有限公司
(the “Company”, together with its subsidiaries, the “Group”)
(Incorporated in Hong Kong under the Companies Ordinance with limited liability)
(Stock Code: 536)

Terms of Reference of the Audit and Governance Committee

Objective

The Audit and Governance Committee shall be responsible for:

- (a) ensuring the objectivity and credibility of the financial reporting of the Company and compliance with the Corporate Governance Code (the “Code”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”); and
- (b) ensuring and upholding good corporate governance functions of the Company.

Membership

- 1. The Audit and Governance Committee shall consist of not less than three members (the “Members”), the majority of which must be Independent Non-executive Directors of the Company and at least one of which shall be an Independent Non-executive Director with appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules. All of the members shall be appointed by the board (the “Board”) of directors (the “Directors”) of the Company from amongst the Independent Non-executive Directors and Non-executive Directors.
- 2. The Board may remove any member or all members of the Audit and Governance Committee at its sole discretion. The Board may from time to time vary the composition of the Audit and Governance Committee as may be required by the Listing Rules.

3. The Chairman of the Audit and Governance Committee shall be appointed by the Board from amongst the Independent Non-executive Directors.

Secretary

The company secretary of the Company or his or her nominee shall be the secretary of the Audit and Governance Committee.

Frequency of Meetings

1. The Audit and Governance Committee shall meet at least twice a year. The external auditor (the "External Auditor") of the Company may request a meeting if it considers necessary.
2. The Chairman of the Audit and Governance Committee may convene additional meetings as he considers necessary.

Meetings

1. Meetings of the Audit and Governance Committee shall be called by its Chairman or at the request of the Board.
2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda and accompanying committee papers, if any, and items to be discussed, shall be issued to each Member and any other person required to attend at least 3 days prior to the date of the meeting.
3. The quorum of meetings shall be two Members.
4. Resolutions of the Audit and Governance Committee at any meeting shall be passed by a majority of votes of Members present.
5. A resolution in writing signed by all Members shall be as valid and effective as if it had been passed at a meeting duly convened and held.
6. Meetings could be attended in person or via electronic means, including but not limited to, by teleconference or by video conference.

Attendance at Meeting

1. The Audit and Governance Committee may request any Directors or any other individuals to attend its meetings but such Directors or other individuals shall not be counted in the quorum and are not entitled to vote at the meetings.
2. The Executive Directors, the Chief Financial Officer, the Head of the Internal Audit Department (the “Internal Audit Department”) of the Company and a representative of the External Auditor shall normally attend meetings of the Audit and Governance Committee. Other Directors who are not Members shall also have the right to attend meetings of the Audit and Governance Committee. However, the Audit and Governance Committee shall meet with the External Auditor without the presence of the Executive Directors, the Chief Financial Officer and the Head of the Internal Audit Department at least twice a year.
3. Only the Members can vote in the meetings.

Attendance at the Annual General Meeting

The Chairman of the Audit and Governance Committee or in his absence, another Member shall attend the Company’s annual general meeting and be prepared to respond to shareholders’ questions on the Audit and Governance Committee’s duties and responsibilities.

Authority

1. The Audit and Governance Committee is authorised by the Board to investigate any activity within these terms of reference. It is also authorised to seek any information it reasonably requires from any employee of the Company. All employees are directed to co-operate with any reasonable request made by the Audit and Governance Committee.
2. The Audit and Governance Committee is authorised by the Board, at the Company’s expense, to appoint independent professional advisers with relevant experience and expertise to assist the Audit and Governance Committee and to secure the attendance of such professional advisers at its meetings if it considers necessary.
3. The Company should provide the Audit and Governance Committee sufficient resources to perform its duties. The Audit and Governance Committee is authorised to require the Company’s management (the “Management”) to provide it with such resources as may be necessary for it to discharge its duties.

Duties

1. The duties of the Audit and Governance Committee shall be:

- (a) to be primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the External Auditor, and approve the remuneration and terms of engagement of the External Auditor, and any questions regarding the resignation or dismissal of the External Auditor;
- (b) to review and monitor the External Auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;
- (c) to discuss with the External Auditor before the audit process commences, the nature and scope of the audit and reporting obligations, and ensure coordination where more than one auditor is involved;
- (d) to develop and implement policy on the engagement of an external auditor to supply non-audit services (for which purpose, "external auditor" includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude to be part of the audit firm nationally or internationally) and report to the Board on such policy, identifying and making recommendations on any matters where action or improvement is needed;
- (e) to monitor the integrity of the Company's financial statements, annual reports and accounts and half-year reports and review significant financial reporting judgments contained in them. In reviewing these reports before submission to the Board, the Audit and Governance Committee should focus particularly on:
 - (i) any changes in accounting policies and practices;
 - (ii) major judgmental areas;
 - (iii) significant adjustments resulting from audit;
 - (iv) the going concern assumptions and any qualifications;
 - (v) compliance with accounting standards; and
 - (vi) compliance with the Listing Rules and legal requirements in relation to financial reporting; and

in doing so, the Audit and Governance Committee should:

- (i) liaise with the Board and senior management of the Company to carry out such review and meet, at least twice a year, with the Company's auditors; and

- (ii) consider any significant or unusual items that are, or may need to be, reflected in the reports and accounts and give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or auditors;
- (f) to act as the key representative body for overseeing the Company's relationship with the External Auditor;
- (g) to discuss problems and reservations arising from the interim and final financial statements and any other matters the External Auditor may wish to discuss (in the absence of Management where necessary);
- (h) to review the External Auditor's management letter, any material queries raised by the External Auditor to Management in respect of the accounting records, financial accounts or systems of control and Management's response;
- (i) to ensure that the Board provides a timely response to the issues raised in the External Auditor's management letter;
- (j) to review the Group's financial and accounting policies and practices, financial controls and risk management (including environmental, social and governance ("ESG") and climate-related risk) and internal control systems;
- (k) to review the Management's report on identification and evaluation of risks (including ESG and climate-related risks) to ensure the implementation of appropriate and effective risk management (including ESG and climate-related risks) and internal control systems, in particular, those concerning material ESG-related issues identified by the Board;
- (l) to discuss with Management the risk management (including ESG and climate-related risk) and internal control systems to ensure that Management has discharged its duty to have effective systems. The discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function;
- (m) to consider the findings of any major investigations of risk management (including ESG and climate-related risk) and internal control matters as delegated by the Board or on its own initiative and Management's response to the findings;

- (n) to approve the engagement, dismissal and remuneration of the Head of the Internal Audit Department;
- (o) to review and monitor the effectiveness of the internal audit function, ensure coordination between the Internal Audit Department and the External Auditor and ensure that the internal audit function is adequately resourced and has appropriate standing within the Company;
- (p) to report on how the Audit and Governance Committee meets its responsibilities in its review of the half-yearly and annual results and its review of the risk management (including ESG and climate-related risks) and internal control systems, the effectiveness of the Company's internal audit function and its other duties under the Code;
- (q) to review and maintain the Company's Whistleblowing Policy from time to time;
- (r) to review and make arrangements by which the Group's employees and those who deal with the Group (e.g. customers and suppliers) may, in confidence, raise concerns about possible improprieties in financial reporting, internal control or other matters and ensure that proper arrangements are in place for the fair and independent investigation of such matters and for appropriate follow-up action;
- (s) to have a private session with the Head of the Internal Audit Department during the interim/annual audit to discuss any reported cases and investigate and report back to the Board such cases with recommended remedial actions;
- (t) to review the Group's compliance with the Code and disclosure in the Corporate Governance Report and the ESG Report;
- (u) to develop, review and monitor the Group's policies and practices on corporate governance and make recommendations to the Board;
- (v) to report to the Board on the matters set out in the above paragraphs and report back to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions on their ability to do so; and
- (w) to consider other topics as defined or instructed by the Board and do any such things to enable the Audit and Governance Committee to perform its functions conferred on it.

2. In discharging its duties under these terms of reference, the Audit and Governance Committee shall take into account relevant provisions of the Listing Rules and other factors that it deems necessary.

Reporting Procedures

1. Minutes of the Audit and Governance Committee meetings shall be recorded and kept by the secretary of the Audit and Governance Committee and shall be available for inspection at any reasonable time on reasonable notice by any Director. All minutes shall record in sufficient details the matters considered and decisions reached or recommendations made, including any concerns raised by any Member or dissenting views expressed.
2. Draft and final versions of the minutes of the Audit and Governance Committee meetings shall be sent to all Members for comments and records respectively, within a reasonable time after each meeting, subject to any legal or regulatory restrictions restricting such circulation.
3. After each meeting, the Audit and Governance Committee shall report formally to the Board on all matters within its duties and responsibilities and any decisions or recommendation made.

Interpretation

Interpretation of these terms of reference shall belong to the Board.

Hong Kong, 21 November 2025