HONMA GOLF LIMITED
本間高爾夫有限公司

TERMS OF REFERENCE FOR THE AUDIT COMMITTEE
(Adopted by the Company pursuant to the Board Resolution passed on November 28, 2025)

Constitution

1. The audit committee (the "**Committee**") is established pursuant to a resolution passed by the board of directors (the "**Board**") of Honma Golf Limited (the "**Company**") on September 18, 2016.

Membership

2. Members of the Committee shall be appointed by the Board from the non-executive directors only and shall consist of not less than three members, a majority of whom, including the chairman, shall be independent non-executive directors. LR3.21

3. At least one of the independent non-executive directors serving as a member of the Committee shall have appropriate professional qualifications or accounting or related financial management expertise as required under rule 3.10(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). LR3.21

4. A former partner of the existing auditing firm of the Company shall not act as a member of the Committee for a period of two years from the date of his/her ceasing (a) to be a partner of such firm; or (b) to have any financial interest in the firm, whichever is later. App C1 D.3.2

5. If a member resigns, ceases to be a director or for any other reason ceases to be a member of the Committee resulting in the number of members to fall below the minimum, the Board shall, within three months of that event, appoint such number of new members as may be required to make up the minimum.

6. The Board or the Committee shall from time to time appoint any particular member of the Committee or any officer or employee of the Company or its subsidiaries as the secretary of the Committee. In the absence of the secretary of the Committee, the remaining members present shall elect one of themselves or appoint another person as the secretary for that meeting.

Frequency of meetings

7. The Committee shall meet not less than twice a year. Additional meetings may be held as and when required.

8. The Committee shall meet with the external auditors at least twice a year. At least once a year, the Committee shall meet with the external auditors without the management present. The external auditors may request a meeting if necessary. App C1 D.3.3(e)(i)

Notice of meetings

9. A meeting of the Committee may be convened by any of its members or the secretary of the Committee.

10. Unless otherwise agreed by all the members of the Committee, notice of each meeting stating the time, date and place of the meeting shall be given to each member of the Committee and any other person invited to attend at least seven days prior to the date of the meeting.

11. Agenda and any supporting documents and papers shall be forwarded to each member of the Committee and any other person invited to attend at least three days prior to the date of the meeting (or such other period as the members may agree).

Proceedings of meetings and resolutions

12. No business shall be transacted at any meeting of the Committee unless a quorum is present. The quorum of a meeting shall be two members of the Committee (at least one of whom should be an independent non-executive director).

13. Only members of the Committee have the right to attend Committee meetings. Other persons including but not limited to any director, management, external advisor or consultant may be invited by the Committee to attend for all or part of any meeting as and when appropriate.

14. Meetings of the Committee may be held either in person or through electronic means of communication or in such other manner as the members may agree.

15. Questions arising at any meeting shall be determined by a majority of votes of the members of the Committee present. Each member of the Committee shall have one vote. In the case of any equality of votes, the chairman of the meeting shall have an additional or casting vote.

16. Members must abstain from voting in respect of any resolution which he/she is an interested party.

17. A resolution in writing signed by all members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee. Any such resolution may be contained in a single document or may consist of several documents in like form each signed by one or more of the members of the Committee.

18. Draft and final versions of minutes of the Committee meetings shall be sent to all Committee members for their comment and records respectively within a reasonable time after the meeting. App C1 D.3.1 C.5.5

19. The secretary of the Committee shall cause full minutes with sufficient details to be made in books to be provided for the purpose of the proceedings of all meetings of the Committee and of the attendances thereat and of all business transacted, resolutions passed and orders made at such meetings. Such minutes of meetings of the Committee shall be open for inspection at any reasonable time on reasonable notice by any Director. Any such minutes of any meeting, if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting of the Committee, shall be sufficient evidence without any further proof of the facts therein stated. App C1 D.3.1 C.5.4 & C.5.5

20. Save as otherwise provided herein expressly, proceedings of meetings of the Committee shall be governed by the provision of the articles of association of the Company for regulating the proceedings of meetings of the Board mutatis mutandis.

Authority

LR3.22

21. The authorities of the Committee shall include such authorities set out in the relevant code provisions of the Corporate Governance Code (the "**Corporate Governance Code**") as contained in Appendix C1 of the Listing Rules (as amended from time to time).

22. The Committee is authorized by the Board to investigate any activity within its terms of reference. It is authorized to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

23. The Committee is authorized by the Board to obtain any independent professional advice, at the Company's expense, from any person if it considers necessary to perform its duties.

24. The Committee is to be provided with sufficient resources to discharge its duties.

Duties and functions

LR3.22

25. The duties and functions of the Committee shall include such duties and functions and certain environmental, social and governance ("**ESG**") duties set out in the relevant code provisions of the Corporate Governance Code and the ESG Reporting Code in Appendix C2 of the Listing Rules. Without prejudice to the foregoing, the Committee shall:–

Relationship with the Company's auditors

(a) be primarily responsible for making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, and approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal; App C1 D.3.3(a)

(b) review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards, and discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences; App C1 D.3.3(b)

(c) develop and implement policy on engaging an external auditor to supply non-audit services. For this 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 knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The Committee should report to the Board, identifying and making recommendations on any matters where action or improvement is needed; App C1 D.3.3(c)

(d) where the Board disagrees with the Committee's view on the selection, appointment, resignation or dismissal of the external auditors, the Company should include in the Corporate Governance Report a statement from the Committee explaining its recommendation and also the reason(s) why the Board has taken a different view; App C1 D.3.5

Review of the Company's financial information

(e) monitor integrity of the Company's financial statements and annual report and accounts, half-year report and, if prepared for publication, quarterly reports, review significant financial reporting judgments contained in them. In reviewing these reports before submission to the Board, the Committee should focus particularly on:– App C1 D.3.3(d)

  (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.

(f) regarding (e) above:– App C1 D.3.3(e)

  (i) members of the Committee should liaise with the Board and senior management and the Committee must meet, at least twice a year, with the Company's auditors; and

  (ii) the Committee should consider any significant or unusual items that are, or may need to be, reflected in the report and accounts, it should 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.

Oversight of the Company's financial reporting system, risk management and internal control systems, and ESG issues

(g) review the systems on financial controls of the Company, and unless expressly addressed by a separate board risk committee, or by the board itself, review the Company's internal control system (including without limitation the procedures for compliance with the requirements of Listing Rules) and risk management system; App C1 D.3.3(f)

(h) discuss the risk management, internal control systems and resources related to ESG performance and reporting with management to ensure that management has performed its duty to have effective systems. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function; App C1 D.3.3(g)

(i) establish and maintain an appropriate and effective risk management framework, ensuring that climate-related risks are integrated into the Company's overall risk management framework and risk management procedures;

(j) oversee the identification, reporting, and mitigation measures for climate-related risks;

(k) consider major investigation findings on risk management, internal control matters and matters related to climate risks and opportunities as delegated by the Board or on its own initiative and management's response to these findings; App C1 D.3.3(h)

(l) where an internal audit function exists, ensure co-ordination between the internal and external auditors, and ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and review and monitor its effectiveness; App C1 D.3.3(i)

(m) review the financial, accounting and ESG related policies and practices of the Company and its subsidiaries; App C1 D.3.3(j)

(n) review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response; App C1 D.3.3(k)

(o) ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter; App C1 D.3.3(l)

(p) review arrangements employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. The Committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action; App C1 D.3.7(a)

(q) act as the key representative body for overseeing the Company's relations with the external auditor; App C1 D.3.7(b)

(r) report to the Board on the matters set out herein; App C1 D.3.3(m)

(s) The Committee should establish a whistleblowing policy and system for employees and those who deal with the Company to raise concerns, in confidence, with the Committee about possible improprieties in any matter related to the Company; and App C1 D.2.3

(t) consider other topics, as defined by the Board. App C1 D.3.3(n)

Reporting procedures

26. The Committee shall report directly to the Board on its findings, decisions and/or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as restriction on disclosure due to regulatory requirements). At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report the findings, decisions and/or recommendations of the Committee to the Board. The secretary of the Committee shall also circulate the minutes of meetings, reports and/or written resolutions (if any) of the Committee to all members of the Board. App C1 C.4.2

Audit Committee report

27. The work of the Committee during each financial year shall be summarized in the corporate governance report which constitutes part of the annual report.

Annual general meeting

28. The chairman of the Committee or in his/her absence, another member of the Committee or failing this, his/her duly appointed delegate, shall attend the annual general meeting of the Company and be prepared to answer questions at the annual general meeting on the Committee's work and its responsibilities.

Amendment

29. Subject to the compliance with the articles of association of the Company and the Listing Rules, any amendment to these terms of reference shall be authorized by the Board.

Publication

30. The Committee shall make available these terms of reference by publishing them on the websites of The Stock Exchange of Hong Kong Limited and the Company.

(If there is any inconsistency between the English and Chinese version of these terms of reference, the English version shall prevail.)