ANHUI EXPRESSWAY COMPANY LIMITED
Terms of Reference of the Audit Committee under the Board of Directors

(Approved at the 20th meeting of the tenth session of the board of directors of the Company on 26 December 2025)

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to strengthen the decision-making function of the board of directors (the "**Board**"), to accomplish audit in advance and professional audit, and to improve the corporate governance structure, Anhui Expressway Company Limited ("**Anhui Expressway**" or the "**Company**") has set up the Audit Committee of the Board (the "**Audit Committee**") in accordance with the Company Law of the People's Republic of China* (《中華人民共和國公司法》), the Securities Law of the People's Republic of China* (《中華人民共和國證券法》), the Administrative Measures for Independent Directors of Listed Companies* (《上市公司獨立董事管理辦法》), the Code for Corporate Governance of Listed Companies* (《上市公司治理準則》), the Basic Standards for Corporate Internal Control* (《企業內部控制基本規範》), the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange* (《上海證券交易所股票上市規則》), the Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 1 – Standardised Operation* (《上海證券交易所上市公司自律監管指引第1號－規範運作》), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Hong Kong Listing Rules**") and other relevant laws, administrative rules, regulatory and normative documents, as well as the relevant provisions of the Articles of Association of Anhui Expressway Company Limited (the "**Articles of Association**"), and formulated these Terms of Reference (as defined below).

Article 2 Being a special committee established under the Board, the Audit Committee is responsible for reviewing the Company's financial information and its disclosure, overseeing and evaluating the external and internal audit works and internal control, and exercising the functions and powers of the supervisory committee stipulated by the Company Law of the People's Republic of China.

Article 3 These Terms of Reference of the Audit Committee (the "**Terms of Reference**") define the extent of power and duties of the Audit Committee and shall serve as an important guidelines and reference in the discharge of duties by the Audit Committee. The Audit Committee reports to the Board, and the proposals of the Audit Committee shall be considered and decided upon by the Board.

Article 4 The Company shall provide the Audit Committee with sufficient resources, and assign special personnel or institution to undertake the daily work of the Audit Committee such as work liaison, conference organization, material preparation and file management. When the Audit Committee performs its duties, the management and relevant departments of the Company shall actively cooperate.

The Audit Committee shall have a secretary to assist in the communication between the Audit Committee and the Board and the relevant departments of the Company including the Audit Department, and to assist the Audit Committee in obtaining the information necessary to the fulfillment of its duties.

CHAPTER 2 COMPOSITION

Article 5 The Audit Committee shall consist of three to five members, all of whom shall be non-executive directors and a majority of whom shall be independent non-executive directors, with at least one independent non-executive director having appropriate professional qualifications or accounting or related financial management expertise as required under rule 3.10(2) of the Listing Rules. The chairman of the Audit Committee shall be an independent non-executive director.

A former partner of the Company's existing auditing firm should be prohibited from acting as a member of the Audit Committee for a period of two years from the date the person ceasing:

(I) to be a partner of the firm; or

(II) to have any financial interest in the firm, whichever is later.

Article 6 The chairman and members of the Audit Committee shall be appointed by the Board, and the Board shall issue letter of appointment accordingly. Members so appointed shall lodge the written notice of acceptance of such appointments to the Board within 7 days.

Article 7 The term of office of the Audit Committee shall be the same as that of the Board, and the members shall be subject to re-election and re-appointment upon the expiry of their terms of office. If any member ceases to be as a director of the Company during such period, that member shall automatically ceases to be a member of the Audit Committee.

Article 8 When a member of the Audit Committee resigns from his/her position prior to the expiry of his/her term of office, the member shall tender a written resignation in which he/she shall provide necessary explanations on the reasons for his/her resignation as well as the matters that should be brought to the attention of the Board.

Where the number of members of the Audit Committee falls below the requirement due to the resignation of its member(s), the Board shall elect new member(s) as soon as practicable; the remaining member(s) shall continue to perform his/her/their duties as member(s) of the Audit Committee in accordance with the provisions of these Rules until the new member(s) assume(s) office.

CHAPTER 3 POWERS AND FUNCTIONS

Article 9 The members of the Audit Committee shall diligently and conscientiously perform the duties of the Committee, effectively and efficiently supervise the external auditors of the Company, guide the internal audit work of the Company, and procure the establishment of effective internal controls and the provision of truthful, accurate and complete financial reports. The Audit Committee is held accountable to the Board and shall enjoy no special privilege, and is not entitled to perform the business management function in place of the Board.

Article 10 The Audit Committee shall perform the following duties:

(I) Oversee and evaluate the work of the external auditors, including but not limited to:

(1) to act as the key representative body for overseeing the Company's relations with the external auditors;

(2) to make recommendations to the Board regarding appointment, reappointment and removal of the external auditors, approve the remuneration and terms of the external auditors, and be responsible for any questions concerning the resignation or dismissal of the external auditors;

(3) to review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards; the Audit Committee shall discuss with the auditors the nature and scope of the audit and reporting obligations before the audit commences;

(4) to develop and implement policy on engaging an external auditors to supply non-audit services. For the purpose of this paragraph, "external auditors" 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 Audit Committee should report to the Board, identifying and making recommendations on any matters where action or improvement is needed;

(II) Oversee and evaluate the effectiveness of the internal audit work to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company;

(III) Review the financial information of the Company and its disclosures, including but not limited to:

(1) to monitor the integrity of the financial statements and annual reports and accounts, half-year reports and quarterly reports of the Company, and review significant financial reporting opinions contained therein. Before submitting relevant statements and reports to the Board, the Audit Committee shall particularly review the following matters:

(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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and legal requirements in relation to financial reporting;

(2) regarding Item (1) above,

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

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

(IV) Oversee and evaluate the risk management and internal controls of the Company, including but not limited to:

(1) to review the Company's financial controls, and unless expressly addressed by a separate Board risk committee, or by the Board itself, to review the issuer's risk management and internal control systems;

(2) to discuss the risk management and internal control systems 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;

(3) to consider major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to these findings;

(4) where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the issuer, and to review and monitor its effectiveness;

(5) to review the group's financial and accounting policies and practices;

(6) to review the external auditors' management letter, any material queries raised by the auditors to management about accounting records, financial accounts or systems of control and management's response;

(7) to ensure that the Board will provide a timely response to the issues raised in the external auditors' management letter;

(8) to report to the Board on the matters in the code provision of the Corporate Governance Code under Appendix 14 to the Hong Kong Listing Rules; and

(9) to consider other topics, as defined by the Board.

(V) Act as the key representative body for overseeing the Company's relations with the external auditors, and coordinate any communication between the management, internal audit and related departments and external auditors;

(VI) Review the arrangements which employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. The Audit Committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action by the Company;

(VII) Other matters as authorized by the Board and other matters and functions involved or required to be included in the laws, regulations and relevant regulations of the stock exchange(s) where the shares of the Company are listed.

The Audit Committee should report and make recommendations to the Board on any matters where measures or improvement is needed.

The Audit Committee shall put forward its deliberation opinions to the Board in respect of matters within the scope of its duties. The Company shall disclose matters in relation to opinions not adopted by the Board with proper explanation and reason;

(VIII) Exercise the functions and powers of the supervisory committee as stipulated by the Company Law of the People's Republic of China.

Article 11 The following matters shall be submitted to the Board for consideration with the approval of a majority of all members of the Audit Committee:

(I) disclosure of financial information in financial accounting reports and periodic reports, internal control evaluation reports;

(II) employment or dismissal of the accounting firm that undertakes the Company's audits;

(III) appointment or dismissal of the chief financial officer of the Company;

(IV) changes in accounting policies, changes in accounting estimates or corrections of material accounting errors for reasons other than changes in accounting standards;

(V) other matters as stipulated by laws, administrative regulations, regulations of the Chinese Securities Regulatory Commission and the Articles of Association.

Article 12 In the event that a financial accounting report issued by the Company contains false records, misleading statements or material omissions, the Company shall disclose the relevant information and disclose in the announcement the material problems with the financial accounting report, the consequences that have been or may be caused, and the measures that have been or are proposed to be taken. The Audit Committee shall urge the relevant responsible departments of the Company to formulate rectification measures and rectification timeframes, conduct follow-up reviews, supervise the implementation of rectification measures and disclose the completion of rectification in a timely manner.

Article 13 The Audit Committee may engage an intermediary institution to provide professional advice when it deems necessary. The cost shall be borne by the Company.

Article 14 The Audit Committee shall maintain high caution and attention to the following situations:

(I) Change of accounting firm after the balance sheet date and before the annual report is issued, change of accounting firm for two consecutive years, or change of accounting firm several times in the same year;

(II) the proposed accounting firm has been subject to multiple administrative penalties due to quality issue of its practice in the past three years or is under investigation for multiple audit projects;

(III) proposed appointment of a former audit team which has transferred to another accounting firm;

(IV) a significant change in the audit fee during the engagement period compared to the previous year, or the transaction price for the selection of the engagement is substantially lower than the benchmark price;

(V) the accounting firm has failed to substantively rotate audit project partners and signing certified public accountants as required.

Article 15 The Audit Committee shall review the Company's financial and accounting reports, comment on the truthfulness, accuracy and completeness of the financial accounting reports, focus on significant accounting and auditing issues in the Company's financial accounting reports, pay special attention to the possibility of fraud, malpractice and material misstatement in relation to the financial accounting reports, and oversee the rectification of the issues in the financial accounting reports.

The Audit Committee shall make recommendations to the Board on the engagement or replacement of the external auditor, review the audit fees and terms of engagement of the external auditor, and shall not be subject to undue influence by the Company's substantial shareholders, de facto controllers, or directors and senior management.

The Audit Committee shall urge the external auditor to be honest, trustworthy and diligent, strictly comply with the business rules and industry self- discipline, strictly implement the internal control system, verify and validate the Company's financial and accounting reports, fulfil the duty of special care and prudently express professional opinions.

Article 16 The internal audit body shall, in the course of supervision and inspection of the Company's business activities, risk management, internal control, financial information, accept supervision and guidance of the Audit Committee. Upon discovery of the relevant significant issues or clues, the internal audit body shall forthwith report directly to the Audit Committee.

When the Audit Committee communicates with the external audit organizations such as accounting firms and state audit organizations etc., the internal audit body shall cooperate actively and provide the requisite support and cooperation.

CHAPTER 4 MEETING AND DECISION-MAKING PROCEDURES

Article 17 The Audit Committee shall meet at least once every quarter, and an extraordinary meeting may be convened upon the proposal of two or more members or when the convener deems it necessary. The meetings of the Audit Committee shall be held with the attendance of at least two-thirds of the members.

The meetings shall be convened and chaired by the chairman of the Audit Committee. Notice of meetings shall be given to all Audit Committee members not less than five days before the date of meeting. If the chairman of the committee is unable to attend a meeting, he/she may appoint another member (an independent director) to preside over the meeting.

Article 18 Each member of the Audit Committee shall have one vote, either by show of hands or by poll; decisions taken at the meetings shall be approved by a majority of all members.

Article 19 The secretary of the Committee shall be responsible for the preparation of the agenda and information required for the meetings. The materials for meetings shall be distributed to the Committee members three days before the meetings.

The secretary of the Committee shall prepare minutes of the meetings and circulate its draft and final versions to all members of the Committee and the Board within a reasonable time for review. The minutes of the meetings shall clearly record the opinions of the independent directors, be signed by the independent directors for confirmation. The minutes of the meetings shall be archived and kept in accordance with the relevant provisions on the Company's archives management.

Article 20 In principle, the meetings of the Audit Committee shall be held on-site, however, under the premise of ensuring full communication among and expression of opinions by all the members of the Committee, the meetings may be held by way of video, telephone or other means in accordance with the procedures if necessary.

Article 21 Other members of the Board, the chief financial officer, the head of the Audit Department or other relevant parties may attend the meetings.

Article 22 The independent directors shall attend the meetings of the Audit Committee in person. Where an independent director is unable to attend a meeting in person due to certain reasons, he/she shall review the materials for the meeting in advance, form clear opinions, and appoint another independent director in writing to attend the meeting on his/her behalf.

Article 23 The Audit Committee shall report to the Board on a regular basis.

Article 24 The chairman of the Audit Committee shall, at least once a year, submit a report on the work performed and findings of reviews by the Committee during the said period, which shall include but not limited to the following:

1. conclusions arrived at upon discussion with the external auditors in respect of the work performed by the external auditors, audit of annual financial statements and statement on audit;

2. recommendations on the appointment of external auditors, including evaluation of quality of the service, reasonableness of remuneration and terms of engagement, and the issues on their resignation, replacement and removal;

3. evaluation of the Company's Audit Department and response to the internal audit results and its effectiveness; and

4. conclusions on the effectiveness of the financial controls, risk management and internal control systems.

CHAPTER 5 SUPPLEMENTARY PROVISIONS

Article 25 The Board of the Company reserves the right to interpret these Terms of Reference. These Terms of Reference shall be effective upon approval by the Board, and the "Terms of Reference of the Audit Committee under the Board of Directors of Anhui Expressway Company Limited (amended in December 2023)" shall be repealed simultaneously.

* *for identification purposes only*