ZHONGZHENG INTERNATIONAL COMPANY LIMITED

(the "**Company**")

AUDIT COMMITTEE - TERMS OF REFERENCE

(As revised on 27 February 2026)

Constitution

1. The board of directors of the Company (the "**Board**") has on 28 December 1999 resolved to establish a Committee of the Board to be known as the Audit Committee (the "**Committee**").

Membership

2. The Committee shall consist of not less than three members appointed by the Board, all of whom shall be non-executive directors and a majority of whom shall be independent non-executive directors. At least one of whom is an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise as required under the Listing Rule 3.10(2).

3. The Chairman of the Committee shall be appointed by the Board and shall be an independent non-executive director.

4. A former partner of the Company's existing auditing firm should be prohibited from acting as a member of the Committee for a period of two years from the date of the person ceasing (a) to be a partner of the firm; or (b) to have any financial interest in the firm, whichever is later.

Attendance at meetings

5. Members of the Committee shall have the right to attend Committee meetings. However, other individuals of the Company such as the Finance Director, the Head of Internal Audit, and a representative of the external auditors may be invited to attend all or part of the meetings as and when appropriate. Other Board members shall also have the right of attendance. The Committee shall meet with the external and internal auditors (or any other officer(s) assuming the relevant functions but having a different designation) without the presence of executive Board members at least once a year.

6. The Company Secretary shall act as the secretary of the Committee (the "**Secretary**").

Frequency and quorum of meetings

7. Meetings shall be held at least two (2) times every financial year and more frequently if circumstances require. The quorum of the meeting shall be two members (at least one of whom should be an independent non-executive director). The external auditors may request a meeting if they consider that one is necessary.

Notice of meetings

8. Unless otherwise agreed, the Secretary shall forward the notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed to each member of the Committee, any other person required to attend and all other directors, with reasonable notice, before the date of the meeting. Supporting papers shall be sent to the Committee members and to other attendees as appropriate, at the same time.

Authority

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

10. The Committee is authorized by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

Duties

11. The duties of the Committee shall be as follows:

    (a) to be primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;

    (b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The Committee should discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences;

(c) to 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;

(d) to monitor integrity of the Company's financial statements and annual report and accounts, interim report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgements contained in them. In reviewing these reports before submission to the Board, the 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;

(e) regarding (d) above:

(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 reports 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;

(f) to review the Company's financial controls, risk management and internal control systems;

(g) to discuss the risk management and internal control systems with management to ensure that management has performed its duty to have an 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;

(h) to consider major investigations 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;

(i) 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 Company, and to review and monitor its effectiveness;

(j) to review the Group's financial and accounting policies and practices;

(k) to 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;

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

(m) to report to the Board on the matters set out in this Terms of Reference;

(n) to 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 the fair and independent investigation of these matters and for appropriate follow-up action;

(o) to act as the key representative body for overseeing the Company's relations with the external auditor; and

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

Reporting procedures

12. The Committee should report to the Board, identifying any matters in respect of which it considers that action or improvement is needed, and making recommendations as to the steps to be taken.

13. The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.

14. The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

15. Full minutes of meetings should be kept by the Secretary. Draft and final versions of minutes of the meetings should be sent to all committee members for their comment and records, within a reasonable time after the meeting.

Other matters

16. 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.

17. The Committee should be provided with sufficient resources to perform its duties.

18. The Committee should make available its terms of reference, explaining its role and the authority delegated to it by the Board by including them on the website of the Company and on the website of the Hong Kong Stock Exchange.

19. If there is any inconsistency between the English and Chinese versions of this Terms of Reference, the English version shall prevail.