Audit and Risk Committee Charter

Motorcycle Holdings Limited (ACN 150 386 995) **("Company")**

Effective 1 July 2026

Committee Charter

1 Purpose and authority

The Audit and Risk Committee ("**Committee**") is a committee of the board of directors of the Company ("**Board**") established in accordance with the Company's constitution. It has the authority delegated to it by the Board, and power to undertake the roles and exercise the responsibilities, as set out in this Charter and under any separate resolutions of the Board from time to time.

2 Overview

The ASX Corporate Governance Council's "Principles of Good Corporate Governance and Best Practice Recommendations" ("**Recommendations**") recommend that the Company has formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting and that it has a sound risk management framework.

The Committee is to assist the Board by undertaking the roles, and exercising the responsibilities, set out in this Charter and other reviews or assignments as requested by the Board.

The Committee aims to bring transparency, focus and independent judgment to these roles. It will report regularly to the Board on matters relevant to these roles and responsibilities, and as required to satisfy the Company's Disclosure and Communication Policy, the Corporations Act or Listing Rule requirements relevant to these roles and responsibilities.

3 Corporate reporting

3.1 The Committee's role – corporate reporting

The Committee's role is to oversee the adequacy of the Company's corporate reporting processes. The processes should be formal and rigorous to safeguard the integrity of the Company's corporate reporting and facilitate independent verification.

3.2 The Committee's responsibilities – corporate reporting

The Committee is responsible for:

(a) **compliance:** reviewing management's processes for compliance with laws, regulations and other requirements relating to the preparation of accounts and corporate reporting by the Company of financial and non-financial information;

(b) **adequate processes**: making recommendations in relation to the adequacy of the Company's corporate reporting processes;

(c) **continuous reporting**: overseeing the process that is implemented to capture issues for continuous reporting to ASX;

(d) **external auditor:** asking the external auditor for an independent judgment about the appropriateness of the accounting principles, and the clarity of financial disclosure practices, used by the Company;

(e) **assessing information** from external auditors which is significant for financial reports;

(f) **accounting judgments**: reviewing and assessing the appropriateness of material estimates, accounting judgments and significant choices exercised by management in preparing the Company's financial statements (including the solvency and going concern assumptions) by:

- examining the processes used; and
- seeking verification from external auditors;

(g) **true and fair view:** assessing that the Company's financial statements reflect the Committee's understanding of, and provide a true and fair view of, the Company's financial position and performance;

(h) **preparation of financial reports:** overseeing the preparation of financial reports and reviewing the results of external audits of these reports;

(i) **section 295A declaration:** overseeing that appropriate risk management and internal control processes are in place to form the basis upon which the CEO and CFO make their declarations to the Board under section 295A of the *Corporations Act 2001* (Cth) and Principle 4 of the ASX Corporate Governance Principles and Recommendations;

(j) **corporate governance:** reviewing the completeness and accuracy of the Company's Corporate Governance Statement as required by the ASX Listing Rules;

(k) **pre-lodgement reviews**: reviewing material documents and reports prepared for lodgement with regulators, assessing their impact on the Company and making recommendations to the Board on their approval or amendment; and

(l) **Board approval:** recommending to the Board whether the financial statements, financial report, Directors' Report and Annual Report should be approved based on the Committee's assessment of them.

4 The external audit

4.1 The Committee's role – external audit

The external audit is fundamental in the process to independently verify and safeguard the integrity of the Company's corporate reporting. The Committee oversees the external auditor's role in the corporate reporting process and making recommendations to the Board regarding the external audit.

4.2 The Committee's responsibilities – external audit

The Committee is responsible for:

(a) **appointment:**

- making recommendations to the Board on the selection process, appointment and remuneration of the external auditor;
- agreeing the terms of engagement of the external auditor before the start of each audit;

- reviewing the external auditor's fee and being satisfied that an effective, comprehensive and complete audit can be conducted for the fee set;

(b) **independence:**

- monitoring the independence of the external auditor;
- reviewing the external auditor's independence based on the external auditor's relationships and services with the Company and other organisations;
- assessing any proposal for the external auditor to provide non-audit services and whether it might compromise the independence of external auditor and, if required, developing polices for Board approval in relation to this;

(c) **meetings and ongoing communication**:

- inviting the external auditor to attend Committee meetings to review the audit plan, discuss audit results and consider the implications of external audit findings;
- meeting with the external auditor without management present at least once a year;
- raising with the external auditor any specific points of divergence with the Company's management;

(d) **reviewing and monitoring**:

- the effectiveness of the external auditor and assessing their performance;
- the scope and adequacy of the external audit, including identified risk areas and any additional procedures with the external auditor on a periodic basis;
- representation letters signed by management and assessing that information provided is complete and appropriate;
- monitoring management's response to the external auditor's findings and recommendations;

(e) **rotation:** making recommendations to the Board on the rotation of the audit engagement partner;

(f) **removal**: evaluating whether to recommend to the Board that an external auditor be removed.

The external auditor will attend the Company's AGM and be available to answer questions from security holders relevant to the audit.

5 Risk management and compliance

5.1 The roles of the Board, Committee and Management

Managing risk well is of benefit to the Company and its stakeholders including its security holders, employees, customer, suppliers, creditors, consumers and the

broader community in which it operates. It not only protects established value but, given its forward looking focus, can identify opportunities to create value.

Recognising and managing risk is a crucial role of the Board, the Committee and Management. Broadly, their roles are:

(a) **the Board's role** is to set the risk appetite for the Company (that is, the nature and extent of the risks it is prepared to take to meet its objectives), to oversee its risk management framework and satisfy itself that the framework is sound.

(b) **Management's role** is to identify risks, develop and implement the risk management framework, manage and report on risks and monitor that the Company operates within the risk appetite set by the Board.

(c) **the Committee's roles** are to:

- oversee that Management carry out their risk management roles in light of guidance from the Board; and
- make recommendations to the Board regarding risks the Company faces, action it should take, the adequacy of the Company's risk management framework, and on disclosure of risk.

5.2 Committee responsibilities – risk management

The Committee is responsible for:

(a) **risk management framework:** overseeing that Management designs and implements an appropriate and effective risk management framework which:

- aims to identify, protect against, detect, respond to and recover from risks, and to review and improve the framework;
- includes relevant matters set out in the schedule; and
- is developed and reviewed with input from external auditors, compliance staff and other experts and consultants as relevant and in light of relevant standards and industry guidance;

(b) **reviewing the risk management framework** at least annually to determine that it continues to be sound, and to identify any changes to material risks and whether they remain within the risk appetite set by the Board with input from Management, external auditors, compliance staff and other experts and consultants as relevant and in light of relevant standards and industry guidance;

(c) **reporting and making recommendations to the Board** on risk management issues and the Company's risk management framework;

(d) **disclosure:** overseeing the preparation of summaries and making recommendations to the Board including for:

- **the Directors' Report:** of the main internal and external risk sources that could adversely affect the Company's prospects for future financial years, for inclusion in the operating and financial review section of the Directors' Report; and

- **the Corporate Governance Statement** in the Company's Annual Report or on its website, including in relation to each reporting period:
    - whether the review of the Company's risk management framework has taken place and, if appropriate, insights gained from the review and changes made as a result; and
    - whether the Company has any material exposure to economic, environmental and social sustainability risks and if so how they intend to manage those risks.

(e) **overseeing climate-related risks and opportunities,** including their integration into the Company's risk management framework, financial reporting and disclosures.

(f) reviewing and approving any forward looking targets that could be reasonably expected to influence primary stakeholders.

6 Related party transactions

The Committee is responsible for reviewing and monitoring the propriety of related party transactions.

7 Membership

7.1 Composition and size

The Committee will consist of:

(a) only non-executive directors;

(b) a majority of independent directors; and

(c) at least 3 members.

The Company will disclose the relevant qualifications and experience of the members of the Committee.

Membership is reviewed periodically and re-appointment to the Committee is not automatic. Appointments and resignations are decided by the Board.

7.2 Chairperson

The Chairperson of the Committee must be an independent non-executive director who is not the Chairperson of the Board.

The Chairperson of the Committee is appointed by the Board. If, for a particular Committee meeting, the Committee Chairperson is not present within 10 minutes of the nominated starting time of the meeting, the Committee may elect a Chairperson for the meeting.

7.3 Technical expertise

The Committee is intended to be structured so that between them, the members of the Committee should have the **accounting and financial expertise** and a sufficient understanding of the industry and the circumstances in which the Company operates, to be able to discharge the Committee's duties effectively.

7.4 Skills development

If the Committee Chairperson approves, a Committee member may attend seminars or training related to the functions and responsibilities of the Committee at the Company's expense.

7.5 Commitment of Committee members

Committee members should devote the necessary time and attention for the Committee to carry out its responsibilities.

At the first Committee meeting after their appointment and when the Board reviews Committee membership, each Committee member must confirm that they intend to devote sufficient time and attention to the Committee for the coming year.

7.6 Secretary

The Company Secretary is the Secretary of the Committee.

8 Committee meetings and processes

8.1 Meetings

Meetings and proceedings of the Committee are governed by the provisions in the Company's constitution regulating meetings and proceedings of the Board and committees of the Board in so far as they are applicable and not inconsistent with this charter.

The Board will disclose the number of times the Committee met throughout that financial year and the individual attendance of each Committee member at those meetings.

8.2 Frequency and calling of meetings

The Committee will meet as frequently as required to undertake its role effectively, but not less than twice a year. The Chairperson must call a meeting of the Committee if requested by any member of the Committee, the external auditor, or the Chairperson of the Board.

8.3 Quorum

Two directors constitute a quorum for meetings of the Committee.

8.4 Attendance by management and advisors

The Chief Executive Officer and Chief Financial Officer are expected to attend each scheduled meeting of the Committee and a standing invitation will be issued to the external auditors.

The Committee chairperson may also invite directors who are not members of the Committee, other senior managers and external advisors to attend meetings of the Committee. The Committee may request management and/or others to provide such input and advice as is required.

8.5 Notice, agenda and material

The Chairperson of the Committee determines the meeting agenda after appropriate consultation.

The Secretary will distribute the notice of meeting, the agenda of items to be discussed and related material to all Committee members and other attendees not less than [5] business days before each proposed meeting of the Committee.

8.6 Access to information and advisors

The Chairperson of the Committee receives all reports between the external auditor and management.

The Committee has the authority to:

(a) require management or others to attend meetings and to provide any information or advice that the Committee requires;

(b) access the Company's documents and records;

(c) obtain advice and input from counsel, accountants and other experts (eg risk consultants), without seeking approval of the Board or management (where the committee considers that necessary or appropriate); and

(d) access and interview management and external auditors (with or without management present).

Relevant information will be distributed to Committee members as it becomes available.

8.7 Minutes

The Secretary will keep minute books to record the proceedings and resolutions of its meetings.

The Chairperson of the Committee, or their delegate, will report to the Board after each Committee meeting. Minutes of Committee meetings will be included in the papers for the next Board meeting after each Committee meeting.

9 Committee's performance evaluation

The Committee will review its performance from time to time and whenever there are major changes to the management structure of the Company.

The performance evaluation will have regard to the extent to which the Company has met its responsibilities in terms of this charter.

Committee members must be available to meet with external bodies if requested to do so in accordance with relevant laws, regulations or prudential standards.

10 Review and publication of charter

The Board will review this charter from time to time to assess whether it remains relevant to the current needs of the Company. The charter may be amended by resolution of the Board.

The charter is available on the Company's website and the key features are published in the annual report.

Committee Charter

Schedule The basis for a Risk Management Framework

Aim: to identify, protect against, detect, respond to, recover, review, report & improve

Item	Action
1 Risk profile	• Analyse the Company's business and circumstances and describe the material risks and key risk areas facing the Company and its business • Refer to standards and industry guidance eg AS/NZS ISO 31000:2009 Risk management – principles and guidelines • Obtain input from external auditors and other experts and consultants as relevant • Consider: ▪ legal and non-compliance ▪ economic and financial (eg accounting estimates) ▪ cyber resilience and information security ▪ environmental and social sustainability ▪ litigation and claims ▪ political ▪ climate-related risk and opportunities ▪ other business risks, in light of the risk appetite set by the Board
2 Risk register	• Record risks, their likelihood, impact and recommended action, eg whether to:

	▪ **Act** to reduce the likelihood or lower the impact ▪ **Cease** the activity or withdraw from the circumstance ▪ **Accept** the risk, or ▪ **Insure** against the risk • Update on an ongoing basis
3 Risk Team	• Identify key people in the business • Allocate responsibility • Devise Risk Team structure and reporting
4 Risk matrix	Set out the likelihood of risks occurring and the impact on the Company and its business if the risks occur
5 Insurance program	Take out appropriate policies and terms having regard to the Company's business, insurable risks, exclusions, cost and market practice
6 Compliance program	Implement appropriate systems and procedures to aid compliance with applicable legal and regulatory requirements
7 Internal controls and processes	Provide a regular means of monitoring, assessing, reviewing and reporting on the identification and management of risk, including as relevant: • develop risk management policies, codes and guidelines eg for business continuity, disaster recovery, incident management, anti-bribery and corruption, whistleblower, cyber resilience, information management, code of conduct etc • assess if controls and processes are adequate for new circumstances including transactions and laws and their level of risk or impact • develop training programs and materials • include risk as a standing agenda item as relevant for meetings

	• encourage voluntary reporting by employees and contractors to the Company Secretary or other appropriate person of possible significant: ▪ illegal acts ▪ contraventions of the Company's internal controls, codes and policies, and business licence requirements, and ▪ claims against the Company
8 Response Team	• Identify Incident Response Teams • Workshop / rehearse possible scenarios • Immediately an incident occurs, activate incident management and recovery plans • Report as required or as advisable
9 Investigation process	Investigate potential breaches and contraventions including of law, regulations, codes and policies and any break down of the Company's internal controls
10 Review and improve	Revise components of the risk management framework as appropriate