



## NEW FRONTIER HEALTH CORPORATION

### AUDIT COMMITTEE CHARTER

Effective as of December 18, 2019

#### 1. Purpose

This charter governs the operations of the Audit Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of New Frontier Health Corporation (the “*Company*”). The Committee has overall responsibility for (a) assisting the Board in its oversight of (i) the Company’s financial statements, (ii) the Company’s compliance with legal and regulatory requirements, (iii) the qualifications, independence and performance of the registered public accounting firm retained as the Company’s independent auditor (the “*independent auditor*”), (iv) effectiveness and performance of the Company’s internal audit function and (v) the Company’s accounting principles, policies and processes and (b) performing such other functions as the Board may assign to the Committee from time to time.

#### 2. Membership

The number of members of the Committee shall be determined by the Board and shall consist of one or more directors of the Company, each of whom shall meet the independence standards established by the United States Securities and Exchange Commission (the “*SEC*”) and the securities exchange on which the Company’s securities are listed, or shall otherwise be eligible to serve on the Committee pursuant to the standards of the SEC and such securities exchange, in each case as such requirements are interpreted by the Board in its judgment. It shall be the responsibility of the Board to affirmatively determine, in its judgment, whether a member is independent of the Company’s management and free from any relationship or service to the Company that might interfere with his or her exercise of independent judgment in carrying out his or her responsibilities as a Committee member. Each member of the Committee must be financially literate, as determined by the Board. At least one member of the Committee shall be versed in reading and understanding financial statements, and at least one member of the Committee shall be an “audit committee financial expert” under the rules and regulations of the SEC. A member who qualifies as an “audit committee financial expert” under the rules and regulations of the SEC is presumed to have accounting or related financial management expertise under applicable securities exchange rules. No member of the Committee may serve simultaneously on the audit committee of more than two other public companies without prior approval of the Board.

#### 3. Organization and Procedures

The members of the Committee shall be appointed by the Board. Members shall be appointed annually for a term of one (1) year. If a Committee chairperson is not designated by the

Board, the members of the Committee shall designate a chairperson by a majority vote. The chairperson shall preside over meetings of the Committee and may call special meetings, in addition to those regularly scheduled, and will report to the Board the actions and recommendations of the Committee.

The Committee shall have the authority to establish its own rules and procedures consistent with the amended and restated memorandum and articles of association of the Company (the “*Charter*”) for notice and conduct of its meetings should the Committee, in its discretion, deem it desirable to do so. A majority of the whole Committee shall constitute a quorum for the transaction of business. The vote of a majority of the members of the Committee present at a meeting at which a quorum is present shall be the act of the Committee. Unless otherwise stated herein or established by the Committee, the Committee shall be governed by the same procedural rules, including rules regarding meetings, actions without meetings, notices and waivers of notice, as are applicable to the Board. The Committee shall maintain minutes of meetings. The Committee shall periodically meet with management, the personnel primarily responsible for the design and implementation of the Company’s internal audit department and representatives of the independent auditor, and shall invite such individuals to its meetings as it deems appropriate, to assist in carrying out its duties and responsibilities. However, the Committee shall meet regularly without such individuals present.

The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of legal counsel or other advisers as it deems necessary to fulfill its duties and responsibilities under this charter. The Committee shall set the compensation and oversee the work of any such legal counsel or other adviser. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its legal counsel or other adviser(s) as well as the Company’s independent auditor and for such ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. In discharging its responsibilities, the Committee shall have full access to any relevant records and personnel of the Company.

#### **4. Authority and Responsibilities**

The Company’s management and internal auditor are responsible for preparing accurate and complete financial statements in accordance with International Financial Reporting Standards (“*IFRS*”) as issued by the International Accounting Standards Board (“*IASB*”) and for establishing and maintaining appropriate accounting principles and financial reporting policies and satisfactory internal control over financial reporting. The independent auditor is responsible for auditing the Company’s annual consolidated financial statements and, as required, the effectiveness of the Company’s internal control over financial reporting and reviewing the Company’s periodic financial statements. It is not the responsibility of the Committee to guarantee the audits or reports of the independent auditor, nor is it the duty of the Committee to certify that the independent auditor is independent under applicable rules. These are the fundamental responsibilities of management, the internal auditor and the independent auditor. The Committee’s primary responsibility is oversight. To carry out such oversight, the Committee shall have the authority and responsibilities set forth below. These responsibilities are a guide, with the understanding that the Committee will carry them out in a manner that is appropriate given the Company’s needs and circumstances.

A. Appointing and Retaining an Accounting Firm

- Appoint, retain, compensate, evaluate and, when appropriate, terminate the independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The independent auditor shall report directly to the Committee.
- Pre-approve all auditing services and permitted non-audit services to be performed for the Company by its independent auditor, other than de minimis services provided that the requirements pertaining to de minimis exceptions for non-audit services described in Section 10A of the Securities Exchange Act of 1934, as amended, are otherwise satisfied. By this charter, the Committee hereby delegates to the chairperson of the Committee, acting singly, the authority to pre-approve any audit services if the need for consideration of a pre-approval request arises between regularly scheduled meetings. Any such approvals shall be presented to the Committee at its next scheduled meeting or as soon thereafter as is practicable.

B. Overseeing the Accounting Firm

- Review, at least annually, reports from the independent auditor regarding the independent auditor's responsibilities under Public Company Accounting Oversight Board ("**PCAOB**") standards.
- Review, evaluate and discuss, at least annually, formal written reports from the independent auditor regarding the auditor's independence, including a delineation of all relationships between the auditor and the Company, and recommend to the Board actions to satisfy the Board of the independence of the auditor.
- Review with the independent auditor (i) the independent auditor's audit plan scope, timing, staffing, locations, reliance upon management, internal auditors or others, including other independent public accounting firms (if applicable), and the general audit approach, and (ii) the nature and extent of specialized skill or knowledge needed to perform audit procedures or evaluate audit results related to significant risk.
- Obtain and review, at least annually, a report from the independent auditor describing (i) the independent auditor's internal quality control procedures and (ii) any material issues raised by the most recent internal quality control review, or peer review, of the independent auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five (5) years, respecting one or more independent audits carried out by the independent auditor, and any steps taken to deal with any such issues.

- Evaluate, at least annually, the independent auditor's qualifications, performance and independence, including the review and evaluation of such auditor's lead partner, and consider the opinions of management, the personnel responsible for the Company's internal audit function and the independent auditor while performing these responsibilities.
- Review and discuss with the independent auditor the written independence disclosure required by the applicable requirements of PCAOB.
- Review and discuss with the independent auditor on a periodic basis any other relationships or services (including permissible non-audit services) that may affect its objectivity and independence.
- Oversee the rotation of the independent auditor's lead partner having primary responsibility for the audit and other audit partners responsible for the audit as required by applicable laws and regulations.
- Conduct any investigation appropriate to fulfilling its responsibilities and have direct access to the independent auditor as well as anyone in the Company.
- Present the Committee's conclusions regarding the independent auditor to the full Board.
- Establish, or recommend to the Board, as the Committee deems necessary or appropriate, policies governing the Company's hiring of employees or former employees of the Company's independent auditor.

C. Overseeing Financial Reporting

- Review and discuss the annual audited financial statements, prior to the statements' filing or distribution, with management and the independent auditor, including reviewing the Company's specific disclosures under the Operating and Financial Review and Prospects section of the Company's Annual Report on Form 20-F, and recommend to the Board whether or not such financial statements should be included in the Company's Annual Report on Form 20-F.
- Review disclosures made to the Committee by the Company's chief executive officer and chief financial officer during their certification process for each Annual Report on Form 20-F about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.
- Discuss the results of each interim review and the annual audit, as applicable, with the independent auditor prior to release of any interim or

annual earnings and other financial information regarding the Company's results of operations.

- Review and discuss with management and the independent auditor, prior to the release of earnings, earnings press releases, paying particular attention to any use of pro forma or non-IFRS information, as well as any other financial information and earnings guidance provided to the public, including analysts and rating agencies. The Committee's review and discussion in this regard may be general in nature (i.e., discussion of the types of information to be disclosed and the type of presentation to be made) and need not take place in advance of each earnings release or each instance in which the Company may provide earnings guidance.
- Review and discuss with management and the independent auditor (1) any major issues regarding accounting principles and financial statement presentation, including any significant changes in the Company's selection or application of accounting principles, (2) any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including the effects of alternative IFRS methods, and (3) the effect of regulatory and accounting initiatives and off-balance sheet structures on the Company's financial statements.
- Resolve disagreements between management and the independent auditor regarding financial reporting.
- Review, with management and the independent auditor, filings with the SEC and other published documents containing the Company's financial statements and consider whether the information contained in the documents is consistent with the information contained in the financial statements.

D. Reviewing Accounting Principles, Policies and Processes

- Establish an appropriate control process for reviewing and approving the Company's internal transactions and accounting.
- Review and discuss, at least annually, with management and the independent auditor (i) critical accounting policies and practices of the Company, (ii) all material alternative accounting disclosures and treatments permissible under IFRS that have been discussed by the independent auditor and management, ramifications of the use of such alternative disclosures and treatments and the disclosure and treatment preferred by the independent auditor, and any changes in such disclosures and treatments, (iii) the anticipated application of significant accounting pronouncements that have been issued but are not yet effective, (iv) other material written communications between the independent auditor and management, such as any management letter and any written representation requested from

management by the independent auditor, and (v) any other matters required to be communicated to the Committee by the independent auditor under professional standards, including any matters required to be communicated under the *Public Company Accounting Oversight Board Auditing Standards No. 16, Communications with Audit Committees*.

- Review and discuss with the independent auditor and management (1) any audit problems or difficulties, including difficulties encountered by the independent auditor during its audit work (such as restrictions on the scope of its activities or access to information), (2) any significant disagreements with management and (3) management's response to these problems, difficulties or disagreements; and to resolve any disagreements between the independent auditor and management.
- Review management's assessment of the effectiveness of internal control over financial reporting as of the end of the most recent fiscal year and the independent auditor's opinion and report thereon, in each case if applicable.
- Discuss with the independent auditor the characterization of any deficiencies in internal control over financial reporting.
- Discuss, with management, management's remediation plan to address any internal control deficiencies, as well as any special audit steps adopted in light of any internal control deficiencies.
- Discuss with management the process for assessing and managing risks, including the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
- Review with the Company's Chief Financial Officer (and/or outside counsel) and the independent auditor, as appropriate, any legal matters that could have a significant impact on the organization's financial statements, the Company's compliance with applicable laws and regulations and inquiries received from regulators or government agencies and advise the Board of its findings.
- Regularly report to the Board and review with the full Board any issues that arise concerning: (i) the quality or integrity of the Company's financial statements; (ii) the Company's compliance with legal or regulatory requirements; (iii) the performance and independence of the Company's independent auditor; or (iv) the performance of the internal audit function.

E. Internal Audit

- *Appointment and Removal.* Each year, the Committee shall review and advise the Board on the selection and removal of the internal audit director or outside audit firm.

- *Performance.* Each year, the Committee shall review the activities and structure of the internal audit function.
- *Charter Review.* Each year, the Committee shall review the internal audit activity charter and suggest and/or approve any modifications or amendments.
- *Separate Meetings with the Internal Auditor.* The Committee shall periodically meet separately with the Company's internal auditor, who shall work with the Company's Chief Financial Officer or other officer designated by the Committee, but who will ultimately report to the Committee, to discuss the responsibilities, budget and staffing of the Company's internal audit function and any issues that the internal auditor believes warrant the Committee's attention.

F. Other Responsibilities

- Establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting, internal accounting controls, auditing matters or related matters.
- Consider and review with management, the independent auditor, and outside advisers or accountants any correspondence with regulators or governmental agencies.
- Conduct or authorize investigations into any matter, including, but not limited to, complaints relating to accounting, internal accounting controls or auditing matters, within the scope of the responsibilities delegated to the Committee as the Committee deems appropriate, including the authority to request any officer, employee or adviser of the Company to meet with the Committee or any advisers engaged by the Committee.
- Delegate to the chairperson of the Committee, any one of the Committee's members or any subcommittee of the Committee that the Committee may form, the responsibility and authority for any particular matter, as the Committee deems appropriate from time to time under the circumstances. However, subcommittees do not have the authority to engage independent legal counsel, accounting experts or other advisers unless expressly granted such authority by the Committee. Each subcommittee shall keep minutes and regularly report to the Committee.
- Review and approve related party transactions, in accordance with the Company's Related Party Transaction Policies and Procedures.

The Committee also shall undertake such additional activities within the scope of its primary function as the Board or the Committee may from time to time determine or as may otherwise be required by applicable law or regulation, the Board or the Company's Charter.

The Committee shall annually perform, or participate in, an evaluation of the performance of the Committee against the requirements of this charter, the results of which shall be presented to the Board.

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