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Charter of the Audit Committee

of

Nayax Ltd.

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Approved by the Board of Directors on

1 September 2022

## Table of Contents

1.	Purpose and Scope.....	1
2.	Membership.....	1
3.	Responsibilities.....	2
3.1	Independent Auditor .....	2
3.2	Internal Auditor.....	3
3.3	Financial Statements; Disclosure and Other Risk Management and Compliance Matters.....	3
3.4	Reporting and Evaluation .....	5
3.5	Related Party Transactions .....	6
3.6	Roles Required by Section 117 of the Companies Law .....	6
3.7	Other Matters .....	6
4.	Authority and Delegations.....	6
5.	Procedures .....	7
6.	Limitations Inherent in the Committee’s Role .....	8
7.	Amendments.....	8
8.	Effectiveness .....	8

## Nayax Ltd.

### Charter of the Audit Committee

Adopted September 1, 2022

#### 1. Purpose

The Audit Committee (the “**Committee**”) is created by the board of directors (the “**Board**”) of Nayax Ltd. (the “**Company**”) to:

- a) Assist the Board in its oversight of
  - i. the integrity of the Company’s financial statements and internal controls;
  - ii. the qualifications, independence and performance of the Company’s independent auditor (the “**Independent Auditor**”);
  - iii. the performance of the Company’s internal audit function; and
  - iv. the Company’s compliance with legal and regulatory requirements.
- b) Perform the roles set forth in Section 117 of the Israeli Companies Law, 5759-1999, and the regulations promulgated thereunder, as may be amended from time to time (the “**Companies Law**”).

Nothing in this charter shall derogate from any provisions applicable to the Committee under any applicable law.

#### 2. Membership

- a) The Committee shall consist of at least three (3) members, comprised solely of directors deemed by the Board to be independent and who meet (i) the criteria for independence set forth in Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended, and (ii) the independence standard under any other applicable law (including Section 115(a) of the Companies Law). Each member shall, in the judgment of the Board, have the ability to read and understand the Company’s basic financial statements. At least one member of the Committee shall, in the judgment of the Board, be an “audit committee financial expert” in accordance with the rules and regulations of the U.S. Securities and Exchange Commission (the “**SEC**”), and at least one member (who may also serve as the audit committee financial expert) shall, in the judgment of the Board, have accounting or related financial management expertise in accordance with the Nasdaq Stock Market listing standards applicable to the Company. For the avoidance of doubt, the following may not be members of the Committee: (i) the Chairman of the Board; (ii) any director who is employed by the Company, its controlling shareholder(s) (as such term is defined under the Companies Law), or by a corporation under common control with the Company; (iii) any director who provides services (other than his or her directorship) to the Company, its controlling shareholder(s), or a corporation under common control with the Company on a permanent basis; (iv) a director whose main source of income is

the controlling shareholder(s); and (v) any controlling shareholder, and his or her relative.

- b) All of the External Directors (as such term is defined under the Companies Law) shall be members of the Committee and the Committee Chair (as defined below) shall be an External Director.
- c) The Nominating and Corporate Governance Committee shall recommend directors as nominees for appointment to the Committee annually and as vacancies or newly created positions occur. Committee members shall be appointed by the Board and may be removed by the Board at any time with or without cause. Members shall continue to be members until their successors are elected and qualified or until their earlier resignation or removal. Resignation or removal of a director from the Board, for whatever reason, shall automatically constitute resignation or removal, as applicable, from the Committee.
- d) The Board shall designate, or absent determination by the Board, the Committee members shall elect, the chair of the Committee (the "**Committee Chair**").

### **3. Responsibilities**

The basic responsibility of the members of the Committee is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its shareholders. In discharging that obligation, members should be entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors, to the fullest extent permitted by applicable law. In addition to any other responsibilities which may be assigned from time to time by the Board, the Committee is responsible for the following matters:

#### **3.1 Independent Auditor**

- a) The Committee shall be directly responsible for the appointment, retention, termination, and oversight of the work of any accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company (subject, if applicable, to shareholder ratification). Each such accounting firm shall report directly to the Committee;
- b) The Committee shall (i) establish pre-approval policies and procedures in respect of audit services and non-audit services; and (ii) pre-approve the audit services and non-audit services (including the fees and terms thereof) to be provided by the Independent Auditor pursuant to such pre-approval policies and procedures. The Committee may delegate its authority to pre-approve services to the Committee Chair, provided that the Committee Chair present any such approvals to the full Committee at the next Committee meeting;
- c) The Committee shall discuss with the Independent Auditor its responsibilities under generally accepted auditing standards, review and approve the planned scope and timing of the Independent Auditor's annual audit plan(s) and discuss significant findings from the audit and any problems or difficulties encountered, including any restrictions on the scope of the auditor's activities or on access to requested information, and any significant disagreements with management;
- d) The Committee shall evaluate the Independent Auditor's qualifications, performance and independence, and shall present its conclusions with respect to

the Independent Auditor to the full Board on at least an annual basis. As part of such evaluation, at least annually, the Committee shall:

- i. obtain and review a report or reports from the Company's Independent Auditor:
  1. describing the Independent Auditor's internal quality-control procedures;
  2. describing any material issues raised by (i) the most recent internal quality-control review, peer review or Public Company Accounting Oversight Board ("PCAOB") review, of the independent auditing firm, or (ii) any inquiry or investigation by governmental or professional authorities, within the preceding five years, regarding one or more independent audits carried out by the auditing firm; and any steps taken to deal with any such issues;
  3. describing all relationships between the Independent Auditor and the Company consistent with applicable PCAOB requirements regarding the Independent Auditor's communications with the Committee concerning independence; and
  4. assuring that Section 10A of the Securities Exchange Act of 1934 has not been implicated.
- ii. confirm and evaluate the rotation of the audit partners on the audit engagement team as required by law;
- iii. consider whether the Independent Auditor should be rotated, so as to assure continuing auditor independence;
- iv. obtain the opinion of management of the Independent Auditor's performance; and

The Committee shall establish policies for the Company's hiring of current or former employees of the Independent Auditor.

### **3.2 Internal Auditor**

At least annually, the Committee shall evaluate the performance, responsibilities and staffing of the Company's internal audit function and review and approve the internal audit plan. Such evaluation shall include a review of the responsibilities and staffing of the Company's internal audit function.

### **3.3 Financial Statements; Disclosure and Other Risk Management and Compliance Matters**

- a) The Committee shall meet to review and discuss with management and the Independent Auditor the annual audited financial statements and unaudited quarterly financial statements, including reviewing the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," prior to the filing of the Company's Annual Report on

Form 20-F or interim financial results on a Current Report on Form 6-K with the SEC;

- b) The Committee shall review the annual audited financial statements and make its recommendation to the Board for their presentation to the general meeting of shareholders for approval;
- c) The Committee shall review with management and the Independent Auditor in separate meetings whenever the Committee deems appropriate:
  - i. any analyses or other written communications prepared by management and/or the Independent Auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative International Financing Reporting Standards (“IFRS”) methods on the financial statements;
  - ii. the critical accounting policies and practices of the Company;
  - iii. the clarity of the financial disclosures made by the Company;
  - iv. the effect of regulatory and accounting initiatives, as well as off-balance sheet transactions and structures, on the Company’s financial statements; and
  - v. any major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company’s selection or application of accounting principles;
- d) The Committee or the Committee Chair shall review the Company’s earnings press releases prior to public dissemination, paying particular attention to the use of non-IFRS financial information;
- e) The Committee or the Committee Chair may review any of the Company’s financial information and earnings guidance provided to analysts and ratings agencies and any of the Company’s other financial disclosures, such as earnings press releases, as the Committee Chair deems appropriate;
- f) The Committee shall, in conjunction with the Chief Executive Officer and Chief Financial Officer of the Company, review the Company’s disclosure controls and procedures and internal control over financial reporting. The review of internal control over financial reporting shall include whether there are any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to affect the Company’s ability to record, process, summarize and report financial information and any fraud involving management or other employees with a significant role in internal control over financial reporting. The Committee shall also review any special audit steps adopted in light of material control deficiencies;
- g) The Committee shall review and discuss with the Independent Auditor any audit problems or difficulties and management’s response thereto, including those matters required to be discussed with the Committee by the auditor pursuant to established auditing standards, as amended, such as:

- i. any restrictions on the scope of the Independent Auditor's activities or on access to requested information;
  - ii. any accounting adjustments that were noted or proposed by the auditor but were not adopted or reflected;
  - iii. any communications between the audit team and the audit firm's national office regarding auditing or accounting issues presented by the engagement;
  - iv. any management or internal control letter issued, or proposed to be issued, by the auditor; and
  - v. any significant disagreements between management and the Independent Auditor;
- h) In connection with its oversight responsibilities, the Committee shall be directly responsible for the resolution of disagreements between management and the auditor regarding the Company's financial reporting;
- i) The Committee shall review the Company's policies and practices with respect to risk assessment and risk management, including discussing with management the Company's major financial risk exposures and the steps that have been taken to monitor and control such exposures;
- j) The Committee shall establish procedures for:
  - i. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters (and the Committee shall receive a summary of whistleblower reports); and
  - ii. the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- k) The Committee shall review the Company's compliance with laws and regulations, including major legal and regulatory initiatives. The Committee shall also review any major litigation or investigations against the Company that may have a material impact on the Company's financial statements. The Committee shall meet and discuss these matters with management and others as appropriate.

### **3.4 Reporting and Evaluation**

- a) The Committee shall report to the Board periodically. This report shall include a review of any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the independence and performance of the Company's Independent Auditor and any other matters that the Committee deems appropriate or is requested to include by the Board;
- b) At least annually, the Committee shall evaluate its own performance and report to the Board on such evaluation;

- c) At least annually, the Committee shall review all policies for whose review the Committee is responsible and recommend any changes to the Board; and
- d) The Committee shall review and assess the adequacy of this charter annually and recommend any proposed changes to the Board.

### **3.5 Related Party Transactions**

In connection with related party transactions, the Committee shall perform the roles and dispense its obligations assigned to it (a) under the Companies Law and the regulations promulgated thereunder and (b) by the Board pursuant to the Related Person Transaction Policy adopted by the Board.

### **3.6 Roles Required by Section 117 of the Companies Law**

- a) Identify any deficiencies in the business conduct of the Company, including in consultation with the internal auditor or the Independent Auditor, and propose the Board remediation alternatives. Should the Committee identify a material deficiency, it shall conduct at least one meeting to discuss remediation of such deficiency in the presence of the internal auditor or the Independent Auditor, and without the presence of any officers or directors that are not Committee members, provided however, that if the Committee so requested an officer or director may participate in such meeting for the presentation of a position which falls under the scope of his or her responsibilities;
- b) Determine, based on reasons that shall be detailed in writing, whether certain actions and transactions are 'material or non-material' or 'ordinary or extraordinary' if required under Sections 255 or 270(1), 270(4), and 270(4A) of the Companies Law, which will impact the manner of approval of such actions and transactions. The Committee may also design criteria and parameters for such determinations, on an annual basis.
- c) Determine, with respect to transactions listed in Sections 270(4) and (4A) of the Companies Law (even if such transactions are ordinary), whether such transactions should be subject to a competitive bidding process, under the supervision of the Committee, or anyone else whom shall be designated by the Committee pursuant to criteria set by the Committee, or set other procedures in advance of entering into such transactions, depending on the type of transaction. The Committee may also design criteria and parameters for such determinations, on an annual basis;
- d) Determine whether to approve actions and transactions that requires the Committee's approvals under Sections 255, and 268-275 of the Companies Law; and
- e) Determine with respect to certain non-negligible transactions (as such term is defined in Section 117(2A) of the Companies Law), the manner of their approval and the type of non-negligible transactions that will require the Committee's approval.
- f) Any other matter set forth in Section 117 of the Companies Law.

### **3.7 Other Matters**



- a) The Committee shall review and consider any requests for waivers of the compliance policy of the Company and the code of ethics of the Company for the directors, any executive officers and other senior financial officers, and shall make a recommendation to the Board with respect to such request for a waiver;
- b) The Committee shall review potential conflicts of interest involving directors, including whether such director or directors may vote on any issue as to which there may be a conflict; and
- c) The Committee shall perform such other duties as may be requested by the Board.

#### **4. Authority and Delegations**

- a) The Committee is authorized (without seeking Board approval) to retain special legal, accounting or other advisers and may request any officer or employee of the Company or the Company's outside counsel or Independent Auditor to meet with any members of, or advisers to, the Committee.
- b) The Committee shall have available appropriate funding from the Company as determined by the Committee for payment of:
  - i. compensation to any accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company;
  - ii. compensation to any advisers employed by the Committee; and
  - iii. ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
- c) The Committee may delegate its authority to subcommittees or the Committee Chair when it deems appropriate and in the best interests of the Company.

#### **5. Procedures**

##### *Meetings*

- a) The Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this charter, but not less frequently than quarterly. The Committee Chair shall preside at each meeting and, in the absence of the Committee Chair and/or an appointed deputy, one of the other members of the Committee shall be designated as the acting chair of the meeting. The Committee Chair, in consultation with the other Committee members, shall determine the frequency and length of Committee meetings and shall set meeting agendas consistent with this charter.
- b) The Committee shall meet separately, periodically, with management and with the Independent Auditor.
- c) Non-members of the Committee shall not participate or attend the Committee meetings, unless the Committee Chair determined that participation is required in order to present a subject matter, provided however that (i) an employee of the Company who is not the Controlling Shareholder(s) or his relative may be present

in the Committee's deliberations (but not the resolutions) if so requested by the Committee, and (ii) the Chief Legal Officer and/or the Company's Secretary (provided they are not the Controlling Shareholders or his relative) may be present in the deliberations and discussions if so requested by the Committee.

- d) In other respects, subject to any applicable law, the Committee shall establish its own rules of procedure subject to the constitution of the Company.

## **6. Limitations Inherent in the Committee's Role**

Subject to any applicable law, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with IFRS and applicable rules and regulations. This is the responsibility of management and the Independent Auditor. Furthermore, while the Committee is responsible for reviewing the Company's policies and practices with respect to risk assessment and management, it is the responsibility of the Chief Executive Officer and senior management to determine the appropriate level of the Company's exposure to risk.

## **7. Amendments**

This Charter may be amended at any time by resolution of the Board.

## **8. Effectiveness**

This Charter was adopted by the Board on [--] [--], 2022, and shall be effective on the day on which the U.S. Securities and Exchange Commission first declares effective the Company's Registration Statement on Form 20-F.