

SUPERCOMNET TECHNOLOGIES BERHAD

[Registration No. 199001005958 (197527-H)]

(Incorporated in Malaysia)

The purpose of the setting up of the Audit Committee is to assist the Board in discharging its duties to identify principal risks, ensuring the implementation of appropriate systems of internal controls to manage such risks, and that such systems are working effectively to safeguard shareholders' investment and the long-term viability of the Group.

The Terms of Reference of the Audit Committee (AC) are as follows:

1. Membership

The AC shall be appointed by the Board of Directors from amongst the Directors of Supercomnet Technologies Berhad. ("STB") STB and consist of not less than three members. All the AC members must be Non-Executive Directors, with a majority of whom must be independent. The members of the AC shall elect the Chairman from among their number who shall be an Independent Non-Executive Director. No Alternate Director shall be appointed as a member of the AC.

If the number of members is reduced below three, due to whatsoever reasons, the Directors of STB shall within three months of that event, appoint such number of new members as may be required to make up the minimum number of three members.

A former key audit partner must observe a cooling-off period of at least 3 years before being appointed as a member of the Committee.

2. Meetings

Meetings will be held at least four (4) times a year at quarterly intervals with additional meetings convened when necessary.

A quorum of two independent members shall constitute a valid meeting.

The internal and /or external auditor(s) have the rights to appear and be heard at any meeting of the AC and shall appear before the Committee when required by the company. Upon the request of the auditor(s), the Chairman of the AC shall convene a meeting of the Committee to consider any matters the auditor(s) believes should be brought to the attention of the Board of directors or shareholders.

The Company Secretary shall be the secretary of the AC.

The External Auditors may request a meeting if they consider that one is necessary.

3. Authority

The AC is authorized by the Directors of STB to investigate any activity within its terms of reference and shall have the resources required to perform its duties. The AC has full and unrestricted access to all information and documents relevant to its activities as well as to the internal and external auditors and employees of the Group.

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4. Duties and Responsibilities

The duties and responsibilities of the AC shall include:

- a) to recommend to the Board of Directors of the Company the appointment of the External Auditors and Internal Auditors, their audit fees and any question of their resignation or dismissal;
- b) to discuss the nature and scope of the audit with the External Auditors before the audit commences;
- c) to review the financial statements of STB and the Group before submission to the Board of Directors, focusing particularly on:
 - public announcements of results and dividend payment;
 - any changes in accounting policies and practices;
 - major judgmental areas;
 - significant adjustments resulting from the audit;
 - the going-concern assumptions;
 - compliance with accounting standards; and
 - compliance with stock exchange and legal requirements.
- d) to discuss problems and reservations arising from the interim and final audits and any matters the external/internal auditors may wish to discuss (excluding the attendance of other directors and employees of STB);
- e) to review the internal audit programme, consider the major findings of internal audit investigations and management's response and ensure co-ordination between the Internal and External Auditors;
- f) to review the adequacy of the scope, functions, competency and resources of the internal audit function and to ensure that it has the necessary authority to carry out its works;
- g) to review and evaluate the adequacy and effectiveness of the Group's accounting policies, procedures and internal controls;
- h) to keep under review the effectiveness of internal control system and in particular, review External Auditors' management letter and management's response;
- i) to review any related party transactions and conflict of interest situation that may arise within the Company or Group and to monitor any inter-company transaction or any transaction between the Company and any related parties outside the Group;
- j) to carry out such other functions and consider other topics, as may be agreed upon by the Board of Directors.

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5. **Reporting Procedures**

The AC is authorized to regulate its own procedure an in particular the calling of meetings, the notice to be given of such meetings, the voting and proceeding thereat, the keeping of minutes and the custody, production and inspection of such meetings.

The Company Secretary shall circulate the minutes of meetings of the AC to all members of the Board of Directors.

Review and updated by the Board on November 25, 2021.