CORPORATE GOVERNANCE REPORT

STOCK CODE	**:**	9946
COMPANY NAME	**:**	ETA GROUP BERHAD (FORMERLY KNOWN AS REX INDUSTRY BERHAD)
FINANCIAL YEAR	**:**	December 31, 2025

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE
Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA
Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Intended Outcome
Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.1
The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	:	Applied
Explanation on application of the practice	:	The Board of Directors ("**Board**") is primarily responsible for the overall performance of the Group by establishing the strategic directions and objectives, charting the policies and directing the strategic plans to ensure the Group is moving with the right momentum and aligned with the overall objectives and goals of the Group at all times. The Board relies on the reports provided by the Group Managing Director ("**Group MD**"), who oversees the day-to-day business operations of the Group and supported by a senior management team from various departments of the Group to set the Company's strategic direction. During the quarterly meetings, the Group MD will brief the Directors on the operations, issues faced and action plans of the Group for the Board to be kept abreast on the conduct, business activities and development of the Company, as well as to discuss and advise the Management in its formulation of the Company's short-term and long-term business strategies. The Board is guided by the Board Charter to discharge its duties and responsibilities. To ensure the effective discharge of its stewardship role, the Board has delegated certain areas of duties and responsibilities to two (2) other Board Committees, namely the Audit and Risk Management Committee ("**ARMC**") and Nomination and Remuneration Committee ("**NRC**") to oversee the Group's affairs and in deliberation of issues in accordance with their respective Terms of Reference ("**TOR**") as approved by the Board. The Board Committees do not have executive power, but the Chairmen of the respective Board Committees are tasked to report to the Board on all matters considered, including key issues and outcomes and resolutions deliberated at each of the Board Committees' meetings. All proceedings, matters arising, deliberations in terms of the issue discussed, and recommendations made by the Board Committees at the Board Committees' meetings are recorded in the minutes by the Company Secretaries of the respective Board Committees, confirmed and signed by the Chairmen of the Board Committees, and reported to the Board. The relevant representatives of senior management were present at the Board and Board Committees' meetings to provide progress of key initiatives, business targets and achievements, and to provide clarification on the queries and issues raised by the Board and Board Committees, if so required. In addition, all Directors have access to the senior management, company secretaries, independent external professional advisors,

	internal auditors and external auditors in appropriate circumstances for professional advice and services as well as additional insights on the Group's operations and corporate matters, at the Company's expense. To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Company during the financial period from 1 July 2024 to 31 December 2025 ("**FPE 2025**"), the Board had, amongst others:- **(a) Promoted good corporate governance culture** The Board and the Management are committed to pursue the objectives and goals of the Company with assurance that the high standards of corporate governance are being practiced within the Group in order to achieve an optimum balance of a sound and sustainable business operation with an optimal corporate governance framework in order to safeguard shareholders' interests. The Group has in place the following policies and procedures as part of its endeavour to promote a culture of good corporate governance as well as ethical, prudent and professional behaviour:- ➢ Anti-Bribery and Corruption policy ➢ Limits of authority ➢ Corporate disclosure policies and procedures ➢ Directors' remuneration policy ➢ Code of conduct ➢ Code of ethics ➢ Succession planning policy ➢ Sustainability policy ➢ Related party transaction policy ➢ Insider trading policy ➢ Policy and procedures to assess the suitability, objectivity and independence of external auditors ➢ Whistleblowing policy ➢ Directors' fit and proper policy ➢ Conflict of interest policy **(b) Reviewed, challenged and decided on the Management's proposals and monitored the implementation by the Management** Apart from the Group MD and the other Executive Directors, all other Directors are non-executive board members who have no executive powers and are not involved in the day-to-day management of the Company's business. Therefore, each of the other Directors is able to bring objective judgements and advice drawing from their respective knowledge, expertise and experience, and ensured that the Management has taken into account all appropriate considerations in establishing any strategic plans and business proposals for the Company. **(c) Ensured that the strategic plan of the Company supports long-term value creation and sustainability** The Board promotes the application of sustainability practices

	throughout the Group, the benefits of which are believed to translate into better corporate performance and ensure the integrity in the Company's financial and non-financial reporting. The Sustainability Working Group ("**SWG**"), which is chaired by the Group MD and supported by the senior management representatives from various departments of the Group, was formed for the purpose of enhancing the Company's governance structure in relation to sustainability. The role of the SWG is to oversee the performance of the Group's sustainability efforts under the leadership of the ARMC, whereby the Board is ultimately accountable for setting up sustainability strategies for the Group MD to oversee the implementation of sustainability strategies set by the Board. **(d) Supervised and assessed Management's performance** The ARMC and Board monitored the Management's performance through the reports provided by the Group MD on a quarterly basis during the meetings, coupled with their own assessment based on the Group's:- • financial performance; • trade receivables and inventory aging; and • latest business developments. **(e) Ensured there is a sound framework for internal controls and risk management** The Board acknowledged its overall responsibility in maintaining a sound system of internal control to safeguard shareholders' investments and the assets of the Group and for reviewing the adequacy and integrity of the system. The ARMC has been entrusted by the Board to assist the Board to identify, evaluate, monitor and manage any relevant risk faced by the Group based on the adopted risk management framework that may hinder the achievement of the Company's business objectives through the report provided by the internal audit function to the ARMC. A Risk Management Working Group ("**RMWG**") had been established at subsidiary level in assisting the ARMC and supported by the delegated/appointed members from the management team covering all divisions and relevant departments. **(f) Understood the principal risks and set the risk appetite** The risk management practices are being adhered to by the Group MD through identifying and evaluating the business risks of the Group at the strategic, operational and tactical levels on a regular basis and all necessary action plans have been implemented to mitigate these risks. The internal auditors also tabled the internal audit report in relation to the identified risks to the ARMC and Board for notation and discussion.

	Through the updates by the Group MD on a periodical basis, the ARMC and Board took note of the risks surrounding the Group's businesses and provided sound advice based on the knowledge of their fields of expertise to assist the Management in better managing the overall risk exposure of the Group. **(g) Ensured there is sufficient succession planning** The Group's continuity in leadership for all key positions was guided by the Company's Succession Planning Policy. The Board would periodically assess and obtain feedback from the Group MD and Chief Financial Officer on the performance of key senior management personnel, particularly with the departure of many legacy management team members in the recent years and the hiring of new management team members. The key senior management personnel are required to attend continuing development programmes to ensure that they are equipped with necessary skills and knowledge which are relevant to perform their work. **(h) Ensured that the Company has in place procedures to enable effective communication with stakeholders** The Company carried out its investor relations ("**IR**") activities in accordance with its Corporate Disclosure Policies and Procedures to ensure there are regular and effective communications with the Company's shareholders and stakeholders. The Company has various IR programmes and strategies in place to bridge and enhance the relationship with its shareholders and stakeholders, which include timely releases of quarterly financial results, circulars, press releases, corporate announcements and annual reports as well as a broad range of communication channels for shareholders and stakeholders to provide comment and feedback. **(i) Ensured the integrity of the Company's financial and non-financial reporting** The ARMC has been entrusted by the Board to ensure the Group's financial and non-financial reports present a true and fair view of its state of affairs and the quality of the financial reporting is of the high standard. The ARMC met and reviewed the quarterly financial reports as presented by the Chief Financial Officer to ensure they are prepared in accordance with the applicable accounting standards and other regulatory requirements prior to the ARMC's recommendation to the Board for approval and announcements to Bursa Malaysia Securities Berhad ("**Bursa Securities**").
Explanation for departure :	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.	
Measure :	

Timeframe :		

Intended Outcome
Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.2
A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application	:	Applied
Explanation on application of the practice	:	The Board is chaired by Mr. Hong Kok Cheong ("**Mr. Hong**"), an Independent Non-Executive Director ("**INED**") who has provided effective leadership and sound advice on the strategic direction of the Group and to his best effort, monitor and promote good governance practices within the Group. The Chairman of the Board had during the FPE 2025:- (i) demonstrated leadership to the Board in discharging his duties and responsibilities effectively without limiting the principle of collective responsibility for the Board decisions; (ii) led the conduct of the Board meetings and discussions in a manner that encouraged constructive discussions and effective contribution from each Director; (iii) reviewed the minutes of the Board meetings to ensure that the minutes accurately reflect the Board's deliberations, and matters arising from the minutes have been addressed properly; (iv) led the Board in establishing, monitoring and implementing good corporate governance practices within the Group; (v) encouraged active participation of the Board and allowed dissenting views to be freely expressed; (vi) ensured appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole, for consideration and improvement, if any; (vii) acted as the facilitator between the Board and the Management by coordinating smooth communication flow between both parties; and (viii) worked with the Management in reviewing plans, defining issues, maintaining accountability and in any marketing efforts that would effectively position the Company to facilitate growth.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.3
The positions of Chairman and CEO are held by different individuals.

Application	:	Applied	
Explanation on application of the practice	:	The positions of Chairman of the Board and Group MD are held by two (2) different individuals and each has a clear accepted division of power and responsibilities as outlined in the Board Charter to ensure a balance of power and authority, such that no one individual has unfettered powers of decision making. The Chairman of the Board is primarily responsible for leading the Board in its collective oversight of Management as well as to provide guidance on strategic matters, while the Group MD has overall responsibilities over the business operations and day-to-day management of the Group and implementation of the Board's policies and decisions, ensuring that the Group is run efficiently and effectively and in accordance with the strategic decisions of the Board.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.4
The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	During FPE 2025, Mr. Hong Kok Cheong who is the Chairman of the board, is also the chairman of the Nomination and Remuneration Committee ("**NRC**") and a member of Audit and Risk Management Committee ("**ARMC**"). The Board takes cognisance of the rationale behind this Practice and had reconsidered its Committees' composition but in light of the small board size against other corporate governance requirements, recommendations and best practices, Mr. Hong will continue to be part of the Board Committees. The Board is convinced that the presence of the other members in the Board Committees would still create a good balance for open and free discussions.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.5
The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

Application	:	Applied
Explanation on application of the practice	:	The Company is supported by two (2) suitably qualified and competent Company Secretaries, namely, Ms. Yeow Sze Min and Ms. Yee Kit Yeng. Both Company Secretaries are qualified Chartered Secretaries as per Section 235(2)(a) of the Companies Act 2016 ("**CA 2016**") and are Fellow Members of the Malaysian Association of the Institute of Chartered Secretaries and Administrators ("**MAICSA**"). The Company Secretaries are the external Company Secretaries from Securities Services (Holdings) Sdn. Bhd. with vast knowledge and experience from being in public practice and are supported by a dedicated team of secretarial personnel. The Company Secretaries support the Board and the relevant Board Committees to ensure their effective functioning in accordance with their Board Charter, TORs and best practices, and in managing the corporate governance framework of the Company. The Company Secretaries also advise the Directors on their fiduciary and statutory duties, as well as corporate disclosures and compliance with the CA 2016, the Company's Constitution, the Bursa Securities Main Market Listing Requirements ("**MainLR**"), the Malaysian Code on Corporate Governance ("**MCCG**"), adopted policies or any amendments thereof and other pertinent regulations governing the Company, including guiding the Board towards the necessary compliance. The Company Secretaries also update the Board on changes in the regulatory requirements to ensure correct procedures are followed and the Company remains compliant with the relevant rules and regulatory requirements, as well as identify the corporate governance initiatives which are applicable to the Group and highlighted the same to the Board for consideration and monitor the corporate governance practices, by proposing relevant agenda items to be included as recurring meeting agenda for discussion. The Company Secretaries are also acting as the official liaison party for the Company to prepare and submit statutory returns to the Companies Commission of Malaysia ("**CCM**"). They will ensure that any change in the Company's statutory information will be notified to the CCM in the relevant prescribed forms in a timely manner. The Company Secretaries are responsible for arranging and attending meetings of Board and Board Committees and shareholders. This involves the preparation of agenda, issuance of proper notices of meetings, and taking and producing of minutes to record the businesses transacted at the meetings and the decisions taken. During FPE 2025, at least one (1) Company Secretary has attended all Board and Board committee meetings and Extraordinary General

	Meeting ("**EGM**") of the Company. All deliberations at the 30th AGM, EGM and all Board and Board Committee meetings were well minuted for the Board's reference and for action plans to be communicated to the Management for the latter to work on and to report back to the Board. During the 30th AGM as well as the EGM, the Company Secretaries coordinated with the Management and Share Registrar or Poll Administrator to manage the processes of the meeting and ensure orderly proceedings, including the conduct of the poll taken on all resolutions tabled at those Meetings. The Board is also updated by the Company Secretaries on the Directors' Resolutions in Writing passed, Directors' dealings pursuant to Chapter 14 of the MainLR, announcements made to Bursa Securities and circulars or correspondences from Bursa Malaysia, at every scheduled Board meeting during the FPE 2025. The Company Secretaries had and will continue to keep themselves abreast on matters concerning company law, the capital market, corporate governance, and other pertinent matters and changes in the regulatory environment, through continuous training and industry updates. They have also attended many relevant continuous professional development programmes as required by MAICSA for practicing Chartered Secretaries. The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in the discharge of its functions and duties for the FPE 2025.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.6
Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

Application	:	Applied	
Explanation on application of the practice	:	All Board and Board Committee meetings are scheduled in advanced to enable the Board members to reserve their dates for the meetings. During the FPE 2025, the Management together with the assistance of the Company Secretaries strived to circulate all complete meeting materials at least five (5) business days in advance of the meeting. Nonetheless, detailed minutes of the Board or Board Committee meetings, with the complete and accurate record of the decisions and resolutions of the meetings, have been distributed by the Company Secretaries to all Directors and Board Committee members with sufficient time for their review and for them to seek any clarification or further details that they may need from the Management or to consult independent advisers, if they deem necessary, prior to confirmation of the minutes at the next Board or Board Committee meeting. The Company Secretaries would ensure that any statement of declaration of interest or abstention from voting and deliberation is recorded in the Minutes. The Chairman of the Board and Board Committees signed the minutes as a correct record of the proceedings and thereafter, the said minutes of all proceedings are kept into the Minutes Books kept at the registered office of the Company to be made available for inspection under the CA 2016. The Board also noted the decisions and salient issues deliberated by the Board Committees through the minutes of these Board Committees' meetings.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

Practice 2.1
The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

Application	:	Applied
Explanation on application of the practice	:	The Board has established a Board Charter that includes a formal schedule of matters reserved for the Board. The said schedule details the responsibilities of the Board and Board-Management relationship, including management limitations, as well as an outline on what is expected of Directors in terms of their commitment, roles and responsibilities as Board Members. The Board Charter is published on the Company's website at www.rexmalaysia.com. The Board Charter also includes an outline on expectations of Directors in terms of their commitment, authority, roles and responsibilities as Board members. The Board Charter entails, inter alia, the following main items:- • Governance; • Board-Management Relationship; • Board-Shareholder Relationship; and • Stakeholder Relationship. The Board Charter is applicable to all Directors of the Company. The respective functions, roles and responsibilities of the Directors and Management are clearly set out in the Board Charter as clear guidance to enable the Directors to effectively discharge their duties and to avoid conflicts of interest, or potential conflicts of interest in the conduct of company business, if any. The Board Committees, in performing their responsibilities delegated by the Board, are guided by their respective TORs as approved by the Board. The TOR of the ARMC has been reviewed and amended in line with the recent amendments made to the MainLR in relation to the conflict of interest ("**COI**") where the scope of the ARMC has been expanded to include the review of COI situations that arose or persist in addition to those that may arise and the measures taken to resolve, eliminate, or mitigate the COI was approved by the Board on 1 July 2023 for adoption. The Board keeps itself abreast of the responsibilities delegated to each Board Committee and matters deliberated at each Board Committee meeting through the minutes of the Board Committee meetings and reports from the respective Board Committee Chairmen, which are presented to the Board during Board meetings at the appropriate regular intervals. To date, the Board has not appointed any Senior Independent Director.

Activities of the NRC

During the FPE 2025, the NRC has undertaken the following activities in the discharge of its duties:-

(i) Reviewed and confirmed the minutes of the NRC meetings held;
(ii) Reviewed the contribution and performance of each individual director to assess the character, experience, integrity, and competence to effectively discharge their role as a Director through a comprehensive assessment system;
(iii) Conducted evaluations to assess the effectiveness of the Board as a whole and the Board Committees;
(iv) Reviewed the term of office of the ARMC and assessed its effectiveness as a whole;
(v) Reviewed the service contract agreement of the Group MD;
(vi) Reviewed the independence of the Independent Directors and assessed their ability to bring independent and objective judgement to Board deliberations;
(vii) Identified, assessed and conducted the fit and proper assessment on potential candidates to be appointment as INED members of the Board, and upon being satisfied with the assessment, recommended to the Board for the appointment of the same;
(viii) Recommended the re-election of the Directors who are to retire by rotation at the Annual General Meeting ("**AGM**"); and
(ix) Reviewed the meeting attendance of the Board and Board Committees.

During the FPE 2025, the Board had convened a total of ten (10) Board meetings for the purposes of deliberating on the Company's quarterly financial results and discussing other strategic and important matters. During the Board meetings, the Board reviewed the operations and performance of the Group and other strategic issues that may affect the Group's business. Relevant senior management members were invited to attend some of the Board meetings to provide the Board with their views and clarifications on issues raised by the Directors.

The NRC has been tasked to review the attendance of the Directors at Board and/or Board Committee meetings. Upon review, the NRC noted the Directors, to the best of their ability, have devoted sufficient time and effort to attend Board and/or Board Committee meetings for the FPE 2025.

The attendance of Directors during the FPE 2025 is set out below:-

Name of Director	Directorate	Board	ARMC	NRC
Hong Kok Cheong	INED	10/10	7/7	3/3
Adnan bin Ahmad	INED	10/10	7/7	3/3
Darmendran Kunaretnam	ED	9/10	N/A	N/A
Madam Chris Kong Wai Fa	ED	10/10	N/A	N/A
Eau Yong Eun *(Appointed with effect from 12 September 2025)*	ED	1/1	N/A	N/A
Law Ngee Song *(Appointed with*	INED	1/1	N/A	N/A

effect from 12 September 2025)				
Mak Ai-Leen *(Appointed with effect from 1 August 2025)*	INED	2/2	2/2	N/A
Tam Kok Meng *(Resigned with effect from 1 August 2025)*	INED	7/7	5/5	N/A
Chee Cheng Chun *(Resigned with effect from 12 September 2025)*	Non-INED	7/8	N/A	N/A
Dato' Cheah Teng Lim *(Resigned with effect from 1 August 2025)*	ED	5/7	N/A	N/A

In order for the Group to remain competitive, the Board ensures that the Directors continuously enhance their skills and expand their knowledge to meet the challenges of the Board.

The Board has cultivated the following best practices:-

- All Directors are required to attend the Mandatory Accreditation Programme ("**MAP**") as prescribed by the MainLR within the stipulated timeframe;
- All Directors are encouraged to attend talks, training programmes and seminars to update their knowledge on the latest regulatory and business environment; and
- The Directors are briefed by the Company Secretaries on updates by Bursa Securities periodically.

Upon assessing the training needs of the Directors, the Board recognised that continuing education would be the way forward in ensuring its members are continually equipped with the necessary skills and knowledge to meet the challenges ahead.

Up to the date of this report, the Board members had participated in the following trainings and/or courses:-

Name of Director	Dates	Description of Training Programmes
Hong Kok Cheong	13 – 14 Nov 2024	Bursa Malaysia Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Darmendran A/L Kunaretnam	11 – 12 Jun 2025	Bursa Malaysia Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Eau Yong Eun	8 – 9 Dec 2025	Bursa Malaysia Mandatory Accreditation Programme (MAP)
Jonathan Law Ngee Song	4 June 2025	Training on Anti-Bribery and Anti-Corruption
	14 Nov 2025	21st Indonesian Palm Oil Conference and 2026 Price

			Outlook (IPOC 2025), Bali, Indonesia
		18 – 20 Nov 2025	MPOB International Palm Oil Congress and Exhibition (PIPOC 2025), Kuala Lumpur
		16 Dec 2025	Training on Sustainability, Galton Advisory PLT
	Adnan Bin Ahmad	11 – 12 Jun 2025	Bursa Malaysia Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
	Mak Ai-Leen	12 – 13 Nov 2025	Bursa Malaysia Mandatory Accreditation Programme (MAP)
	Chris Kong Wai Fa	27 – 28 Nov 2024	Bursa Malaysia Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Explanation for departure :			
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure :			
Timeframe :			

Intended Outcome
The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.1
The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

Application	:	Applied
Explanation on application of the practice	:	The Company had adopted two (2) separate policies, namely the Code of Conduct and the Code of Ethics (collectively referred to as "**the said Codes**"), which are applicable to all Directors, Management and employees ("**Officers**") of the Group. **(a) Code of Conduct** The Code of Conduct sets forth the ethical and professional standards of corporate and individual behaviour expected to enhance the standard of corporate governance and corporate behaviour. The Officers, in performing their duties, are required to comply with the letter and spirit of the following which are contained in the Code of Conduct:- ➢ Human rights ➢ Health and safety ➢ Environment ➢ Gifts and business courtesies ➢ Company records and internal controls ➢ Company assets ➢ Exclusive service ➢ Integrity and professionalism ➢ Personal appearance ➢ Confidential information ➢ Compliance obligations To ensure the Code of Conduct permeates throughout the Company, it is communicated to all levels of the Officers through the staff handbook, noticeboard and intranet of the Company as well as through briefings conducted during the induction programme for new staff. **(b) Code of Ethics** The Code of Ethics, which consists of commitments formulated as statements of personal responsibility, identifies the elements of such commitment. The commitment to excellence is fundamental to the philosophy of the Company and every Director shares a common set of objectives and benefits. Each Director is committed to the Company's core values of commitment such as honesty, respect, teamwork, creativity and responsibility, which together serve as a guide for achieving the business goals in an open,

	honest, ethical and principled manner. The principles of the Code of Ethics are as follows:- ➢ Sincerity ➢ Integrity ➢ Responsibility ➢ Corporate social responsibility The said Codes are published on the Company's website at www.rexmalaysia.com. The ARMC is responsible for the interpretation and supervision of the enforcement of the Codes. Officers are made aware that relevant disciplinary actions will be taken for unethical behaviour and gross misconduct that is in contravention with the ethos of the said Codes. The said Codes will be reviewed from time to time when deemed necessary and any changes to the same will be communicated to the Officers of the Group.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.2
The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied
Explanation on application of the practice	:	The Company has a Whistleblowing Policy in place that enables its employees and stakeholders to report instances of misconduct, wrong-doing, corruption, fraud, waste of resources or abuse of rules and regulations within the Company without fear of retaliation. The Whistleblowing Policy provides guidance on the appropriate communication and feedback channels and actions to facilitate whistleblowing, while assuring whistleblowers that the necessary protection is accorded to them. Anyone with genuine concerns in relation to unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements may report directly to the following designated persons (where applicable):- ➢ Superior or Head of Department; ➢ Chairman of the Company; ➢ Group MD; or ➢ Chief Financial Officer. All whistleblowing reports received will be analysed by the Head of Human Resources and further discussed with the Group MD on the next appropriate course of action. The outcome of the investigation is required to be reported to the ARMC at the meeting. The ARMC has been tasked with the review of whistleblowing reports which may be made via established communication and feedback channels of the Company or through any other means. The ARMC or the Group MD shall then report to the Board on the relevant reports and findings that require their attention and approval. The Whistleblowing Policy however does not apply to or modify the Company's policies and procedures for individual employee grievances or complaints relating to job performances, employment terms and conditions. Should it be determined during initial investigation that the matter disclosed does not fall within the scope of the Whistleblowing Policy, such matter will be transferred to the relevant department for appropriate procedures and actions to be taken. Only genuine concerns should be reported under the whistleblowing procedures. The report should be made in good faith with the reasonable belief that the information and any allegations made are substantially true and the report is not made for personal gain. Malicious and false allegations will be viewed seriously and if proven may lead to legal action and/or dismissal. The Whistleblowing Policy will be reviewed by the Board as and when necessary to ensure relevance and effectiveness.

	During FPE 2025, none of the designated persons have received any report or concerns vide the abovementioned communication and feedback channels. The Board has in place an Anti-Bribery and Corruption Policy ("**ABC Policy**"), which was recently revised on 24 October 2024, to ensure the Company's daily operations and businesses do not participate in corrupt activities for the Company's advantage or benefit. The ABC Policy is an unambiguous policy statement on the Company's position regarding bribery and corruption pertaining to Section 17A of the Malaysian Anti-Corruption Commission Act 2009 and the 2018 amendment to prevent the occurrence of bribery and corruption within the Company as well. The Group is committed to establishing the highest standards of good corporate practice to prevent bribery and corruption as a reflection of the following core values:- ➢ Commitment; ➢ Honesty; ➢ Respect; ➢ Teamwork; ➢ Creativity; and ➢ Responsibility. The Group adopts a zero-tolerance approach against bribery and corruption whereby all parties associated to the Group are strictly prohibited from engaging both directly and indirectly in all forms of bribery or potential bribery. The ABC Policy is also published on the Company's website at www.rexmalaysia.com.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.1
The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied
Explanation on application of the practice	:	The Board believes that sustainable business practices are important to the creation of long-term value. In tandem, ETA Group Berhad (formerly known as Rex Industry Berhad), had established a Sustainability Working Group ("**SWG**") to enhance the existing governance structure in relation to sustainability. The SWG is chaired by the Group MD and supported by the Head of following Departments:- • Finance • Sales and Marketing • Procurement • Manufacturing • Warehouse and Logistics The role of the SWG is to oversee the performance of the Group's sustainability efforts under the leadership of the ARMC. The SWG is supported by representatives from the relevant departments within the Group. Ultimately, the Board is accountable for setting up sustainability strategies, with the Group MD, who also chairs the SWG, being tasked to oversee the implementation of sustainability strategies set by the Board. The Group has established the following action plans to be executed and completed by the SWG during the upcoming financial years as follows:- • To perform studies of what are being practised by peers in similar industry. • To perform domestic studies of internal policies & standard operating procedures and gather inputs from all relevant departments/functions. • To prioritise the material sustainability issues identified, considering their:- (a) Significance to the Group economic, environment and social impacts; and (b) Influence on the assessments and decisions of stakeholders. • To map and present the results on the Group's Materiality Matrix. • With reference to data collected, to identify the Key Performance Indicators ("**KPI**"), to allow the Group to continuously measure and monitor our sustainability

	performance and adherence to the sustainability practices and policies All sustainability related activities undertaken set out by the Company have been disclosed in the Sustainability Statement of the Company's Annual Report.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.2
The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied	
Explanation on application of the practice	:	ETA Group Berhad (formerly known as Rex Industry Berhad) acknowledges the importance of communicating the company's sustainability strategies, priorities and targets to its internal and external stakeholders. The Group publishes its Sustainability Statement in the annual report where the Group's sustainability strategies, priorities and targets are disclosed. The Group's sustainability disclosures include a comprehensive description on strategy, stakeholders' engagement, materiality and efforts. The complete information of the Group's sustainability statement can be retrieved from the Group's annual report and is accessible from the corporate website at www.rexmalaysia.com.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.3
The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board is aware on the importance of keeping abreast with the sustainability issues, risks and opportunities that are relevant to the company in achieving its long-term success.	
		The Board will take part on several initiatives to stay abreast on sustainability issues relevant to the Group and the industry. The Board will take the necessary steps to undertake professional trainings, development programmes and activities related to sustainability and governance issues which will include the climate-related risks and opportunities.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.4
Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	A set of the Board and Board Committees effectiveness evaluation forms that incorporate economic and ESG goals and objectives, as well as strategic insight provided in addressing material sustainability risks and opportunities were developed and adopted by the Board. The performance of the Board and senior management in addressing the Company's material sustainability risks and opportunities for the FPE 2025 was reviewed and assessed via Board Effectiveness Assessment.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.5- Step Up
The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operation of the company

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.		
Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.1
The Nomination Committee should ensure that the composition of the board is refreshed periodically the tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	:	Applied	
Explanation on application of the practice	:	The Nomination and Remuneration Committee ("**NRC**") is responsible for reviewing the Board's structure, size and composition regularly as well as making recommendation to the Board with regard to changes that are deemed necessary. Upon recommending to the Board, NRC will consider the required mix of skills, experience, character, integrity, time commitment and diversity, where appropriate, which the person nominated can bring to the Board. During FPE 2025, the NRC had identified and assessed suitable candidates to be appointed. Prior to the appointment, the NRC had conducted the director's fit and proper assessment, following which Ms. Mak Ai-Leen, Mr. Jonathan Law Ngee Song and Mr. Eau Yong Eun were appointed as Directors of the Company. The NRC had also conducted the assessment of the effectiveness of the Board of Directors as a whole and the board committees as well as the contribution and performance of each director. The NRC annually reviews the performance of directors who are seeking re-election based on competency, preparedness and contributions. The Directors' Fit and Proper Policy had been adopted by the Board since 27 May 2022.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.2
At least half of the board comprises independent directors. For Large Companies, the board comprises majority independent directors.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">The Board currently comprises four (4) INEDs and three (3) Non-Independent Executive Directors (“ED”), as listed below:-
<table>
<tr><th>Name</th><th>Directorate</th></tr>
<tr><td>Hong Kok Cheong</td><td>INED</td></tr>
<tr><td>Darmendran Kunaretnam</td><td>ED</td></tr>
<tr><td>Madam Kong Wai Fa</td><td>ED</td></tr>
<tr><td>Eau Yong Eun</td><td>ED</td></tr>
<tr><td>Adnan bin Ahmad</td><td>INED</td></tr>
<tr><td>Jonathan Law Ngee Song</td><td>INED</td></tr>
<tr><td>Mak Ai-Leen</td><td>INED</td></tr>
</table>
The Board is of the view that the current composition will enable them to provide independent and objective judgement to facilitate a balanced leadership in the Company as well as to provide effective check and balance to safeguard the interests, not only of the Company, but also of the shareholders, employees, customers, suppliers and the community.

In addition, the Chairman of the Board, who is also an Independent Director, provides the strong leadership necessary to marshal the Board’s priorities objectively.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.3
The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should justify and seek annual shareholders' approval. If the board continues to retain the independent director after the twelfth year, the board should seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied	
Explanation on application of the practice	:	ETA Group Berhad (formerly known as Rex Industry Berhad) has set out the tenure of Independent Director in the Board Charter. The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. Should the Independent Director intend to continue to serve on Board as Independent Director, the Board shall justify and obtain shareholders' approval for his retention. As at the date of this Statement, none of the INEDs of the Company has served the Company for a cumulative term of more than nine (9) years.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.4 - Step Up
The board has a policy which limits the tenure of its independent directors to nine years.

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.		
Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.5
Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of the non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

Application	:	Applied
Explanation on application of the practice	:	The Board is judicious of the gender diversity recommendation promoted by the MCCG in order to offer greater depth and breadth to board discussions and constructive debates at the senior management level. The Board appoints its members through a formal and transparent selection process. The new appointees will be considered and evaluated by the NRC which will then recommend the candidates to be approved and appointed by the Board. The Company Secretaries will ensure all appointments are properly documented. The Group is an equal opportunity employer and all appointments to the Board and employment of senior management are based on objective criteria, merit, skills and experience, and are not driven by any age, cultural background or gender considerations. During FPE 2025, the NRC had reviewed the working experience, skills, capability and competencies of Ms. Mak Ai-Leen, Mr. Eau Yong Eun and Mr. Law Ngee Song and had recommended their appointment as Directors of the Company to the Board for approval. The Board will be recommending to the shareholders for their re-appointment at the forthcoming 31st AGM of the Company. At present, the members of the Senior Management team consist of male and female who are equipped with diverse skills, expertise and industry experience to lead the business director on the Group.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.6
In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board acknowledges the importance of not solely relying on recommendations from existing Board members, Management or major shareholders in identifying candidates for appointment of Directors. In recommending suitable candidates for directorships and Board committee memberships to the Board, the NRC takes into consideration the respective candidates' experience, competency, character, time commitment and potential contribution to the Company. Any new nomination received is recommended to the Board after a comprehensive assessment and endorsement by the NRC. As disclosed in the Practice 5.5 of this CG Report, the Board has through the NRC, undergone detailed, formal and transparency review process for the appointment of new director(s).	
		The Board will consider referrals from external sources to identify suitably qualified candidates when the need arises in the future and when the recommendations from existing Board members, Management and/or major shareholders are considered, the Board will ensure the recommended candidate has diverse experience and knowledge to meet the fit and proper requirements.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.7
The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied	
Explanation on application of the practice	:	The profile of each of the Director including details of any interest, position, relationship, age, gender, working experience and background are set out in the annual report which is also published on the Company's corporate website. The performance of retiring directors will be assessed by the Nomination and Remuneration Committee and be recommended to the Board before tabling at the General Meeting for voting. The information of appointment and reappointment directors will be shared with the shareholders via the Notice of Annual General Meeting.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.8
The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied	
Explanation on application of the practice	:	The NRC is chaired by Mr. Hong Kok Cheong, an INED. During FPE 2025, the Chairman had led the annual review of the effectiveness of the Board as a whole and the Board Committees, ensuring that the performance of each individual Director is independently assessed.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.9
The board comprises at least 30% women directors.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	Despite the Board not having any formalised board diversity policy or gender diversity policy, the Board practices non-gender discrimination and endeavours to promote workplace diversity and supports the representation of women in the composition of Board and Senior Management positions of the Company. The Board also recognises that a gender-diverse Board could offer greater depth and breadth whilst the diversity of key senior management would lead to better decision-making. Women representation on the Board and in senior management will be taken into consideration when vacancies arise and suitable candidates are identified, underpinned by the overriding primary aim of selecting the best candidate to support the achievement of the Company's strategic objectives.
		As an alternate practice, the Board undertakes the following effort to ensure the decision making process is fair and aligned with the Company's objectives:- 1) The Board affirms that appointment of more woman representatives to the Board and senior management will be duly considered when vacancies arise and when suitable candidates are identified. 2) All decisions of the Board would require the consent of the majority of the Board members. In view that the existing Board comprises individuals who have distinguished themselves in their respective fields of expertise, they are able to provide diverse insights and perspectives during board deliberation and decision-making process. Up to the date of the issuance of this Report, the Board currently consist of two (2) female directors namely, Madam Kong Wai Fa and Ms. Mak Ai-Leen. In this regard, the percentage of the Board's gender diversity stands at 28.57%, which is nearly 30% as necessitate by this Practice.
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.10
The board discloses in its annual report in the company's policy on gender diversity for the board and senior management.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	Despite the Board not having any formalised board diversity policy or gender diversity policy, the Board practices non-gender discrimination and endeavours to promote workplace diversity and supports the representation of women in the composition of Board and Senior Management positions of the Company. The Board also recognises that a gender-diverse Board could offer greater depth and breadth whilst the diversity at key senior management would lead to better decision-making. Women representation on the Board and in senior management will be taken into consideration when vacancies arise and suitable candidates are identified, underpinned by the overriding primary aim of selecting the best candidate to support the achievement of the Company's strategic objectives.
		As an alternate practice, the Board undertakes the following effort to ensure the decision making process is fair and aligned with the Company's objectives:- 1) The Board affirms that appointment of more woman representatives to the Board and senior management will be duly considered when vacancies arise and when suitable candidates are identified. 2) All decisions of the Board would require the consent of the majority of the Board members. In view that the existing Board comprises individuals who have distinguished themselves in their respective fields of expertise, they are able to provide diverse insights and perspectives during board deliberation and decision-making process.
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1
The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out and its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages independent experts periodically to facilitate objective and candid board evaluations.

Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.	
Application :	Applied
Explanation on application of the practice :	During FPE 2025, the Board, through the NRC, has conducted the following annual assessments to determine the effectiveness of the Board, its Committees and each individual Director:- (i) Directors' self-assessment; (ii) Evaluation on the effectiveness of the Board as a whole and Board Committees; (iii) Assessment of Independent Directors; (iv) Review of the term of office and performance of ARMC and each of its members; and (v) Re-election of the Retiring Directors. The current system of assessment of the Company is as described below:- **(a) Directors' self-assessment** The annual assessment of the Directors commences with the completion of a set of comprehensive assessment form detailing all assessment criteria were completed by all Directors on their own performances in the FPE 2025. The duly completed assessment forms then submitted to the Company Secretaries confidentially for tabulation and table the consolidated results to the NRC at the meeting. Criteria for the self-assessment include ratings on their own knowledge, contribution, performance, calibre and personality. In overall, the NRC and the Board were satisfied with the performance of the individual Directors in FPE 2025. **(b) Evaluation on the effectiveness of the Board as a whole and Board Committees** The assessment forms that were completed by each of the NRC members individually were submitted to the Company Secretaries confidentially for tabulation and tabling of the consolidated results at the NRC meeting. Criteria for the assessment of the performance of the Board as a whole and the Board Committees cover Board composition, Board processes and activities, accountability as well as fulfillment of duties and responsibilities. The Board is satisfied with the level of time commitment given by all the Directors in fulfilling their roles and responsibilities as Directors of the Company. This is evidenced by the attendance

record of the Directors at the Board meetings in the FPE 2025 as set out in the table below:-

Name of Director	Attendance
Hong Kok Cheong	10/10
Darmendran Kunaretnam	9/10
Madam Kong Wai Fa	10/10
Adnan bin Ahmad	10/10
Mak Ai-Leen *(Appointed with effect from 1 August 2025)*	2/2
Eau Yong Eun *(Appointed with effect from 12 September 2025)*	1/1
Law Ngee Song *(Appointed with effect from 12 September 2025)*	1/1
Tam Kok Meng *(Resigned with effect from 1 August 2025)*	7/7
Chee Cheng Chun *(Resigned with effect from 12 September 2025)*	7/8
Dato' Cheah Teng Lim *(Resigned with effect from 1 August 2025)*	5/7

None of the Directors have exceeded the maximum limit of five (5) directorships in public listed companies.

Based on the evaluations conducted, the NRC and the Board were satisfied with the performance of the Board as a whole as well as the Board Committees in the FPE 2025.

(c) Assessment of Independent Directors

The Board, through the NRC, had also assessed the independence of the Independent Directors on the Board in relation to the FPE 2025, taking into account the following points in ensuring that the Independent Directors are able to contribute to the effective objective functioning of the Board:-

- Fulfillment of the definition of an independent director as set out in Paragraph 1.01 of the MainLR;
- Ability to exercise independent judgement and act in the best interests of the Company;
- Potential conflicts of interest with regards to any contracts or transactions with the Group;
- Significant personal or social relationship with the Management or major shareholders (including their family members) other than those on a professional level consistent with their duties and generally expected of them; and
- Derivation of other remuneration and benefits apart from Directors' fees and meeting allowances.

Each of the Independent Directors had executed a Letter of Declaration confirming his independence and had submitted the

	same to the Company Secretaries. In overall, the NRC is satisfied that the Independent Directors have brought independence and objective judgements to the Board and have not been compromised, amongst others, by familiarity or close relationship with other Board members. **(d) Review of the term of office and performance of ARMC and each of its members** Based on the evaluation forms conducted by each of the ARMC members on the performance of their peers in assisting the NRC to determine whether the ARMC and its members have properly discharged their duties and responsibilities, the NRC and the Board were satisfied with the performance of all the ARMC members in the FPE 2025, and the Board has renewed the term of office of each of the ARMC members for another term of one (1) year. **(e) Re-election of the Retiring Directors** The NRC is responsible for making recommendations to the Board on the eligibility of the retiring Directors to stand for re-election at the AGM. The NRC assessed the performance of the retiring Directors through a fit and proper assessment and was satisfied with their performance. Accordingly, the NRC recommended the re-election of Directors at the annual general meeting for the Board's consideration and subsequent recommendation to the shareholders for approval.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.1
The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	The Board believes that competitive remuneration is important to attract, retain and motivate Directors with necessary calibre, expertise and experience to lead the Group in the long term. The Board had adopted a formal and transparent Directors' Remuneration Policy that sets out the components to be referred by the NRC in recommending for the Board's approval the remuneration packages, which include salaries, performance bonus and other benefits in-kind (where applicable) for the Group MD, Non-Executive Directors and other senior management personnel, taking into account the demands, complexities and performance of the Company as well as skills and experience required. The Directors' Remuneration Policy is designed to:- • determine the level of remuneration package of Directors and senior management; • attract, develop and retain high performing and motivated directors and senior management with a competitive remuneration package; • provide a remuneration such that the Directors and senior management are paid a remuneration commensurate with the responsibilities of their position; and • encourage value creation for the Company and its stakeholders. The Group MD's remuneration is designed to link rewards to the Group's and individual's performance whilst the remuneration of the Non-Executive Directors is determined in accordance with their experience and the level of responsibilities assumed. The remuneration package of senior management personnel is determined by the Group MD based on overall work performance and the competitive environment in which the Company operates.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.2
The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

Application	:	Applied
Explanation on application of the practice	:	The principal objective of the NRC is to assist the Board to structure and clearly link Directors' and senior management's remuneration to the strategic objectives of the Company, which rewards contribution to the long-term success of the Company in promoting business stability and growth. Currently, the NRC comprises exclusively of INEDs, which is in line with the MCCG's recommendation. The NRC is presently chaired by Mr. Hong Kok Cheong. The NRC is governed by its TOR which outlines its remit, duties and responsibilities, and the same was last updated on 31 July 2023. During the FPE 2025, the NRC has undertaken the following activities based on its TOR:- (i) Reviewed and confirmed the minutes of the NRC meetings held; (ii) Reviewed the contribution and performance of each individual director to assess the character, experience, integrity, and competence to effectively discharge their role as a Director through a comprehensive assessment system; (iii) Conducted evaluations to assess the effectiveness of the Board as a whole and the Board Committees; (iv) Reviewed the term of office of the ARMC and assessed its effectiveness as a whole; (v) Reviewed the service contract agreement of the Group MD; (vi) Reviewed the independence of the Independent Directors and assessed their ability to bring independent and objective judgement to Board deliberations; (vii) Identified, assessed and conducted the fit and proper assessment on potential candidates to be appointment as INED members of the Board, and upon being satisfied with the assessment, recommended to the Board for the appointment of the same; (viii) Recommended the re-election of the Directors who are to retire by rotation at the AGM; (ix) Reviewed the meeting attendance of the Board and Board Committees; and (x) Reviewed the Directors' fees and benefits payable to the Non-Executive Directors and recommended the same to the Board to recommend to the shareholders for approval. All Directors had abstained from deliberations and voting in respect of their respective remuneration.

	The TOR of the NRC is published on the corporate website at www.rexmalaysia.com .	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.1
There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

Application	:	Applied
Explanation on application of the practice	:	The breakdown of the remuneration of each individual Director for the FPE 2025 in the Company and Group levels respectively, is as follows:-

No	Name	Directorate	Company (RM)						Group (RM)					
			Salary and other emoluments	Directors' Fee	Statutory Contribution	Benefits-in-kind	Bonus and Allowances	Total	Salary and other emoluments	Directors' Fee	Statutory Contribution	Benefits-in-kind	Bonus and Allowances	Total
1	Hong Kok Cheong	Independent Non-Executive Director	-	25,000	-	-	-	25,000	-	90,000	-	-	-	90,000
2	Darmendran Kunaretnam	Non-Independent Executive Director, Group Managing Director	-	-	-	-	-	-	1,307,374	-	65,189	-	-	1,372,563
3	Chris Kong Wai Fa	Non-Independent Executive Director	-	5,000	-	-	-	5,000	-	18,000	-	-	-	18,000
4	Eau Yong Eun *(Appointed with effect from 12 September 2025)*	Non-Independent Executive Director	-	-	-	-	-	-	-	-	-	-	-	-

5	Adnan Bin Ahmad	Independent Non-Executive Director	-	-	-	-	-	-	-	-	-	-	-	-
6	Mak Ai-Leen *(Appointed with effect from 1 August 2025)*	Independent Non-Executive Director	-	-	-	-	-	-	-	-	-	-	-	-
7	Law Ngee Song *(Appointed with effect from 12 September 2025)*	Independent Non-Executive Director	-	-	-	-	-	-	-	-	-	-	-	-
8	Dato' Cheah Teng Lim *(Resigned with effect from 1 August 2025)*	Non-Independent Executive Director	-	-	-	-	-	-	230,000	-	13,843	-	-	243,843
9	Tam Kok Meng *(Resigned with effect from 1 August 2025)*	Independent Non-Executive Director	-	-	-	-	-	-	-	70.000	-	-	-	70.000
10.	Chee Cheng Chun *(Resigned with effect from 12 September 2025)*	Non-Independent Non-Executive Director	-	-	-	-	-	-	-	42,000	-	-	-	42,000

Intended Outcome
Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.2
The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board is of the view that it is inappropriate to disclose the remuneration of senior management staff on a named basis, even in bands of RM50,000.00, for the best interest of the Group taking into consideration the competitive human resource environment which may give rise to poaching issues, as well as to maintain the privacy of senior management staff.	
		During the FPE 2025, the Board has carried out their fiduciary duties to oversee the performance and remuneration packages of the Directors including senior management staff by way of an assessment by the NRC to ensure they are adequately compensated in line with the Company's long-term goals.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.3 - Step Up
Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome
There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.1
The Chairman of the Audit Committee is not the Chairman of the board.

Application	:	Applied
Explanation on application of the practice	:	The ARMC is currently chaired by Ms. Mak Ai-Leen, who is an INED, while the Chairman of the Board is Mr. Hong Kok Cheong, also an INED. This ensures the objectivity of the Board's review of the ARMC's findings and recommendations is not impaired. Ms. Mak Ai-Leen is responsible to ensure the overall effectiveness and independence of the ARMC. Together with the other members of the ARMC, he had ensured, among others, that:– a) the ARMC is fully informed about significant matters related to the Company's audit and its financial statements and addresses these matters; b) the ARMC appropriately communicates its insights, views and concerns about relevant transactions and events to internal and external auditors; c) the ARMC's concerns on matters that may have an effect on the financial or audit of the company are communicated to the external auditors; and d) there is proper co-ordination between the internal and external auditors.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.2
The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied	
Explanation on application of the practice	:	The ARMC has formalised the policy that requires a cooling-off period of at least three (3) years to be observed by the former key audit partner of the Company's External Auditors in the Terms of Reference of the ARMC before being appointed as a member of the AC, for the purpose of safeguarding the independence of the audit by avoiding the potential threats which may arise when a former key audit partner is in a position to exert significant influence over the audit and preparation of the Company's financial statements. During FPE 2025, none of the existing ARMC members were former key audit partners. In order to uphold the utmost independence of the ARMC, the Board has no intention of appointing any key audit partner as a member of the ARMC or the Board.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.3
The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied
Explanation on application of the practice	:	The ARMC has in place the 'Policies and Procedures to Assess the Suitability, Objectivity and Independence of External Auditors' ("**Policies and Procedures**") that sets out the criteria to be taken into account by the ARMC in assessing the suitability, objectivity and independence of external auditors annually. In recommending the appointment or re-appointment of the external auditors to the Board, the ARMC has considered the following:- a) Competence, audit quality, experience and resource capacity of the external auditors in relation to the audit; b) Persons assigned to the audit; c) The audit firm's other audit engagements; d) External auditors' ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan; e) Nature and extent of the non-audit services rendered and the appropriateness of the level of fees; and f) Written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements. During the FPE 2025, the ARMC had completed a formalised 'External Auditors' Performance Independence Evaluation Form' adopted by the Company. The ARMC expressed their satisfaction on the services performed, with overall performance rated as "satisfactory", and viewed that Messrs. Raki CS Tan & Ramanan ("**Messrs. Raki CS Tan**") was suitable, objective and independent to be re-appointed as external auditors of the Company. The ARMC had then resolved to recommend the re-appointment of Moore Stephens as the external auditors of the Company to the Board for recommendation to the shareholders for approval at the 31st and 32nd AGM of the Company.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.4 - Step Up
The Audit Committee should comprise solely of Independent Directors.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on adoption of the practice :</td><td colspan="2">The ARMC comprises solely of Independent Directors as appended hereunder:-
<table>
<tr><th>Name</th><th>Designation</th><th>Directorate</th></tr>
<tr><td>Mak Ai-Leen</td><td>Chairperson</td><td>INED</td></tr>
<tr><td>Hong Kok Cheong</td><td>Member</td><td>INED</td></tr>
<tr><td>Adnan bin Ahmad</td><td>Member</td><td>INED</td></tr>
</table></td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

Intended Outcome
There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.5
Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

Application	:	Applied
Explanation on application of the practice	:	During FPE 2025, the ARMC had completed the peer evaluation to assess the performance and skill sets of their peers. The results were compiled by the Company Secretaries and tabled for the NRC's review and to the Board for notation. Based on the results of the assessment, the Board had concluded that the ARMC as a whole is financially literate and has sufficient understanding of the Group's business and matters under the purview of the ARMC including the financial reporting process. The ARMC has reviewed and provided advice on the financial statements which provide a true and fair view of the Company's financial position and performance. The ARMC also reviewed the quarterly results and audited financial statements and effectively challenged the Management's assertions on the Company's financial matters before the approval by the Board, focusing particularly on:- (a) changes in or implementation of major accounting policy changes; (b) key audit matters; and (c) compliance with accounting standards and other legal requirements. All members of the ARMC have also undertaken and will continue to undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules as and when required.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.1
The board should establish an effective risk management and internal control framework.

Application	:	Applied
Explanation on application of the practice	:	The Board is committed to determine the Company's level of risk tolerance and to actively identify, assess and monitor key business risks to safeguard shareholders' investments and the Company's assets by monitoring the internal controls in place with the assistance of the ARMC, the external auditors and the outsourced internal auditors, who will then report on the effectiveness and efficiency of the internal control processes and procedures periodically to ensure that the system is viable and robust. The ARMC has been tasked with the duty to assess the Group's internal control environment to determine the adequacy and effectiveness of the system of internal controls put in place by Management. The review covers the financial, operational, and compliance controls. During FPE 2025, the following risk management practices are adhered to within the Group:- a) Periodic management meetings led by the Group MD were conducted to deliberate on the risk issues faced by the Company and the necessary actions that have been taken to address those risks. b) The Group MD has taken the initiative to report all existing and potential risk issues, including business, market and operational risks etc. and the necessary solutions to resolve these issues during the ARMC and Board meetings. The ARMC has also taken on the responsibility to assess the risk issues as reported by the Group MD and to provide necessary advice to the Management to better manage the risk exposure, before reporting to the Board for decision making and approval, where applicable. With an established risk management framework, the ARMC is tasked to oversee the area of risk management and internal control.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.2
The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied	
Explanation on application of the practice	:	The outsourced internal auditors are engaged to provide independent assessments on the adequacy, efficiency and effectiveness of the Company's internal control system as well as to prepare internal audit reports, which summarised the results of the risk re-assessment, risk profiles and the risks identified during the risk assessment process of the Group. The deliverables included in the internal audit reports had been discussed with the senior management of the Group. The results of risk re-assessment represent the Management's views on the critical focus areas of the Group. The on-going identification and management of risks remain the responsibility of the Board and Management of the Company. Details on the features of the internal control framework and the adequacy and effectiveness of this framework are disclosed in Statement on Risk Management and Internal Control in this Annual Report.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.3 - Step Up
The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application	:	Adopted
Explanation on adoption of the practice	:	The ARMC comprises of solely Independent Directors. The ARMC assists the Board in discharging the responsibilities and duties relating to accounting and reporting practices as well as monitoring the overall risk management framework, the financial reporting processes, the compliance processes, the performance of external and internal auditors and overseeing the audit program of the Group.

Intended Outcome
Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.1
The Audit Committee should ensure that the internal audit function is effective and able to function independently.

Application	:	Applied
Explanation on application of the practice	:	The internal audit function of the Group is carried out by an external service provider, namely Finfield Corporate Services Sdn. Bhd. The outsourced internal auditors report directly to the ARMC on the internal audit function and provide the Board with a reasonable assurance that the Company's system of internal control is satisfactory and operating effectively. The ARMC also assessed the scope of work, performance evaluation and budget for the internal audit function. Where a new appointment or removal may be required, the ARMC would decide on this accordingly. In developing the scope of the internal audit function, the ARMC was satisfied that:- a) the internal auditors have sufficient resources and are able to access information to enable them to carry out their role effectively; and b) the personnel assigned to undertake the internal audit have the necessary competency, experience and resources to carry out the function effectively. The internal auditors had and would continue to keep abreast with developments in the profession, relevant industry and regulations. During FPE 2025, the ARMC had reviewed and assessed the adequacy of the scope, functions, competency and resources of the outsourced internal auditors for the FPEE 2025 and was satisfied that the internal audit function is independent of the operations of the Company and provides reasonable assurance that the Company's system of internal control is satisfactory and operating effectively. Areas for improvements are highlighted to the ARMC who will report the same to the Board. The implementation of recommendations is consistently and closely monitored. None of the internal control weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Annual Report 2025.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.2
The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

Application	:	Applied
Explanation on application of the practice	:	The internal audit function of the Company is outsourced to Finfield Corporate Services Sdn. Bhd. and the internal audit staffs on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence. The number of staff deployed for the internal audit reviews ranges from two (2) to three (3) per visit. The personnel involved in the internal audit reviews possess professional qualifications and/or a university degree. Most of them are members of the Institute of Internal Auditors Malaysia. The Engagement Partner, Mr. Tan Yen Yeow ("**Mr. Tan**") has diverse professional experience in internal audit, risk management and corporate governance advisory. Mr. Tan is a Chartered Accountant of the Malaysian Institute of Accountants and a fellow member of Institute of Internal Auditors Malaysia. The internal audit reviews were conducted using a guide by the International Professional Practices Framework issued by the Institute of Internal Auditors Inc. which contains the international standards for internal auditing. Appropriate audit procedures have been included to ensure adequate coverage of the areas to be audited and risks to be addressed.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.1
The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied
Explanation on application of the practice	:	The Board recognises the need for transparency and accountability to the Company's shareholders and regular communication with its shareholders, stakeholders and investors on the performance and corporate developments in the Company. The Board has a Corporate Disclosure Policies and Procedures in place to ensure only designated spokespersons will be authorised to disseminate information to ensure consistent and accurate flow of information disclosure to the stakeholders. The AGM is the main forum of dialogue with shareholders as it provides an opportunity for the shareholders to seek and clarify any issues pertaining to the Group and to have a better understanding of the Group's activities and performance. It is also an avenue for the Chairman and Board members to respond personally to all queries and provide clarification on issues and concerns raised by the shareholders. Both individuals and institutional shareholders are encouraged to meet and communicate with the Board at the AGM and to vote on all resolutions set out in the notice. Other than the forum of the AGM, the Company communicates regularly with shareholders and investors through annual reports, quarterly financial reports and various announcements made via Bursa LINK, as the Board acknowledges the importance of accurate and timely dissemination of information to its shareholders, potential investors and the public in general. Shareholders and investors can obtain the Company's latest announcements in the dedicated website of Bursa Securities at www.bursamalaysia.com or via the Company's website at www.rexmalaysia.com. The Company's website at www.rexmalaysia.com provides all relevant information on the Company and is accessible by the public. It includes the announcements made by the Company and annual reports. The Board discloses to the public all material information necessary for informed investment and takes reasonable steps to ensure that all shareholders enjoy equal access to such information.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.2
Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.1
Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Applied	
Explanation on application of the practice	:	The Board together with the management committed to ensuring that the despatch of the notice of every AGM of the Company is being circulated at least twenty-eight (28) days prior to the date of the meeting. For the 30th AGM, the notice of the AGM was circulated twenty-eight (28) days prior to the date of AGM. The Board is aware that sufficient notice and time given would allow the shareholders to arrange their time to participate the AGM. The shareholders would have sufficient time to appoint their proxies and corporate representatives for the AGM. The notice of AGM provides detailed explanation for each resolution proposed to enable shareholders to make informed decisions in exercising their voting rights.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at general meetings.

Practice 13.2
All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application	:	Applied
Explanation on application of the practice	:	The Board acknowledged their responsibilities and stewardship to all shareholder with continuous engagements and direct communications during the General Meetings of the Company. There were two (2) general meetings held in 2024/2025 i.e., 30th AGM and Extraordinary General Meeting ("**EGM**") of the Company held on 28 November 2024 and 18 November 2025, respectively. All directors together with the Chief Financial Officer, Company Secretary and External Auditors attended and participated the general meetings of the Company, to provide meaningful responses to questions raised by the shareholders. In compliance with the MCCG, all the Directors of the Company will endeavour to attend all future general meetings and the respective Chairmen of the ARMC and NRC will provide meaningful response to questions addressed by the shareholders to them. Members of the senior management and external auditors of the Company have also attended and will continue to attend the AGM to respond to the shareholders' queries. The proceedings of all general meetings have included a question-and-answer session in which the Chairman of the meetings invited shareholders to raise questions on the agenda items for adoption, before putting a resolution to vote. The Group MD ensured that sufficient opportunities are given to shareholders to raise issues relating to the affairs of the Company and that adequate responses are given.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.3
Listed companies should leverage technology to facilitate–

- including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company conducted its 30th AGM physically on 28 November 2024 at Kuala Lumpur Golf & Country Club, 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur, Wilayah Persekutuan. Shareholders were given sufficient notice to ensure that they were able to make the necessary arrangements to attend the 30th AGM, review agenda items, and formulate questions, if any. Where the shareholders were not able to attend, they could and had appointed proxies to attend on their behalf to vote and represent them. The Board had taken precautionary steps in conducting a physical meeting to enable the shareholders and stakeholders to physically participate in the meeting and encourage face-to-face discussions with shareholders and stakeholders.	
		Despite the Board's decision to conduct the upcoming 31st and 32nd AGMs of the Company physically for cost efficiency, the Board would consider holding the general meetings on a hybrid basis in future to encourage more shareholder participation.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.4
The Chairman of the board should ensure that general meetings support meaningful engagement between board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.		
Application :	Applied	
Explanation on application of the practice :	The Company believes that general meeting is a platform for interaction between the Board, Senior Management and the shareholders of the Company. The Board ensures that shareholders are given the opportunity to participate in general meetings either physically or virtually. At every general meeting of the Company, the Board together with the Chief Financial Officer, external auditors and company secretaries would be attending the general meeting to provide greater responses to all shareholders' queries. The Chairman also has committedly ensured that all questions raised during general meetings would be getting responses either during the meeting itself or after the meeting via email. The responses would be published on the corporate website after the general meetings.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.5
The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.			
Application	:	Not Applicable – only physical general meeting was conducted in the financial year	
Explanation on application of the practice	:		
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.6
Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

Note: The publication of Key Matters Discussed is not a subtitle for the circulation of minutes of general meeting.			
Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Minutes of the 30th AGM and the EGM were made available to the shareholders more than 30 business days after the meetings.	
		The Company will consider the publication of minutes of general meetings as means to circulate the same to shareholders within 30 business days after the general meeting.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

N/A