

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 0106  
**COMPANY NAME** : REXIT BERHAD  
**FINANCIAL YEAR** : June 30, 2023

## **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 TO 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board's main responsibility is to lead and manage the Group in an effective manner including developing strategic directions and objectives in line with its vision and missions, implement plans and supervise the conduct of the Group's business as a whole. The Board's role is to provide leadership of the Group within a framework of prudent and effective controls whilst ensuring risks are consistently assessed and controlled.</p> <p>The Executive Directors have executive responsibilities for the day-to-day operations of the Group's business and shall implement policies, strategies and decisions and shall be accountable for the conduct and performance of their businesses within the agreed business strategies.</p> <p>The Board recognises the key role it plays in charting the strategic direction of the Company and has assumed the following principal responsibilities in discharging its fiduciary and leadership functions:</p> <ul style="list-style-type: none"><li>• Review and approve strategic plans and significant policies;</li><li>• Overseeing the conduct of the Company's business and financial performance and major capital commitments of the Company and the Group;</li><li>• Review and approve any major corporate proposals, new business ventures or joint ventures of the Group;</li><li>• Identifying principal risks and ensuring the implementation of appropriate systems of internal control to manage these risks;</li><li>• Reviewing the adequacy and integrity of internal control systems and management information systems in the Company and within the Group;</li><li>• Overseeing development and implementation of a shareholder communications policy for the Company; and</li></ul>

	<ul style="list-style-type: none"> <li>Overseeing an appropriate succession plan for members of the Board and senior management.</li> </ul>	
<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Company has a Chairman whose primary role is to preside over the Board meetings and ensure the smooth functioning of the Board in the interest of good corporate governance.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Chairman is a Non-Independent Non-Executive Director. The roles of the Chairman and CEO are distinct and separate with individual responsibilities. Each of them has clearly defined duties and authority thus ensuring balance of power and greater capacity for independent decision-making. The separation of powers ensures a balance of power and authority and provides a safeguard against the exercise of unfettered power in decision-making.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	The Chairman of the Board is the Chairman of the Nominating Committee and Remuneration Committee. He is also the Member of the Audit and Risk Management Committee.
	:	The Board is of the view that this departure does not impair the objectivity of the Chairman or the Board when deliberating on the observations and recommendations put forth by Board Committees as all the Non-Executive Directors deliberate and discuss matters as a team.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	Choose an item.

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Company Secretaries play an advisory role to the Board in relation to the Company's compliances to relevant regulatory requirements, guidelines and legislation and are capable of carrying out their duties efficiently to ensure the effective functioning of the Board. The Company Secretaries are suitably qualified and have attended relevant training and seminars to keep abreast with the statutory and regulatory requirements' updates. The Company Secretaries provide sound governance advice, ensure adherence to rules and procedures and advocate adoption of corporate governance best practices. They circulate relevant guidelines and update on statutory and regulatory requirements from time to time for the Directors' reference. They also ensure that all Board and Board Committee meetings are properly convened and that deliberations, proceedings and resolutions are properly minuted and documented.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>Board meetings are scheduled in advance and Board members receive meeting materials one week prior to every meeting to enable the Directors to have sufficient time to review the Board papers.</p> <p>All matters discussed and resolutions passed at each Board meeting are recorded in the minutes of the meeting. The minutes are circulated to all Directors in a timely manner upon conclusion of the meeting for review and the signed board minutes are entered in minute books kept by the Company Secretary.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board Charter sets out the composition and balance, roles and responsibilities and processes of the Board and is to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members.</p> <p>The Board Charter shall be reviewed by the Board as and when required to ensure its relevance in assisting the Board to discharge its duties with the changes in the corporate laws and regulations that may arise from time to time and to remain consistent with the Board's objectives and responsibilities.</p> <p>The Board Charter is published on the Company's website at <a href="http://www.rexit.com">www.rexit.com</a>.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges the importance of establishing a healthy corporate culture and has formalised in writing a Code of Conduct and Ethics for the Board and employees, which sets out the standards of good behaviour by underscoring the core ethical values that are vital for their business decisions.</p> <p>The Board has established an Anti-Bribery and Anti-Corruption Policy to prevent corruption practices.</p> <p>Both the Code and the Policy are published on the Company's website at <a href="http://www.rexit.com">www.rexit.com</a>.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Group has in place a Whistleblowing Policy that sets out avenues where legitimate concerns can be objectively investigated and addressed. Employees of the Group can raise concerns about illegal, unethical or questionable practices in confidence and without the risk of reprisal.</p> <p>The Whistleblowing Policy is published on the Company's website at <a href="http://www.rexit.com">www.rexit.com</a>.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board has an overall responsibility on the Company’s sustainability initiatives.</p> <p>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.</p> <p>The Board has delegated the authority for management of the sustainability effort, including the economic, environmental and social sustainability issues to the senior management who will drive the Group’s overall sustainability process which has been put in place to identify, assess, manage and report the Group’s material sustainability matters and to ensure that the Group’s sustainability process including advancing strategic decision making, coordinating and implementing sustainability action plans and accountability for business and sustainability results is effectively carried out.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company is committed to working closely with all stakeholders in its journey towards its sustainable growth. The Company is also committed to communicate effectively with its shareholders and other stakeholders on the Company’s strategies, priority and targets in its sustainability initiatives.</p> <p>Stakeholders are entities or individuals significantly affected by the Group's activities, products and services; and whose actions affect the ability of the Group to successfully implement its strategies and achieve its objectives.</p> <p>As part of its business, the Company engaged with a wide range of stakeholders throughout the year using formal and informal engagement methods, depending on the target stakeholders such as face-to-face meetings with the government regulators, customers, suppliers and bankers; email communication or written letters with interested public and employees and meeting with shareholders at general meetings.</p> <p>The Company’s on-going sustainability strategies, priority and targets, material sustainability matters as well as performance against those targets during the financial year are disclosed in the Sustainability Reporting in the Company’s Annual Report 2023.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board continuously keep itself abreast and updated with the latest sustainability agendas which are relevant to the Company and its business.</p> <p>In view of the increased interest from regulators and stakeholders on matters relating to sustainability such as those relating to climate related risks, the Board will continue to engage with stakeholders to explore further improvement in conducting its business in a more sustainable manner.</p> <p>The Board is also mindful of the need to keep abreast of the external trends in sustainability practices and will engage external consultants to provide training to the Board and senior management of the Company to enhance the Company's sustainability efforts and initiatives.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The current performance evaluations of the Board do not address the Company’s material sustainability risks and opportunities.	
		A detailed study is required for developing the criteria for the performance evaluations of the Board and the Management to address the material sustainability risks and opportunities.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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 operations of the Company.

<i>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.</i>	
<b>Application</b>	: Not Adopted
<b>Explanation on adoption of the practice</b>	:



### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Nominating Committee ("NC") annually reviews the effectiveness and composition of the Board and Board Committees in order to ensure the Board and Board Committees have the requisite competencies and capacity to effectively oversee the overall business and carry out their respective responsibilities.</p> <p>The annual evaluation of the Board and Board Committees were performed by the NC via the relevant assessment forms adopted from the Corporate Governance Guide comprising questionnaires pertaining to the Director's knowledge and skills, participation, contribution and performance, caliber and personality.</p> <p>The NC also assessed the independence of the Independent Directors, each of the Independent Directors annually provides the NC with their Self-Assessment Independence Checklist.</p> <p>The results of annual evaluation were tabled to the Board for notification.</p> <p>The results of the assessment indicated that the performance of the Board, the Board Committees and the individual Directors during the review period had been good and they had been effective in their overall discharge of functions and duties.</p> <p>The NC has also undertaken annual assessment and evaluation of retiring Directors, namely Datuk Chung Hon Cheong and Mr. Kuah Hun Liang, who were due for re-election as Directors at the forthcoming Annual General Meeting ("AGM"). Based on the assessments conducted which included satisfying the fit and proper criteria, the NC was satisfied with the performance and contribution of the retiring Directors and concluded that they have discharged their duties during the financial year end. The Board has accordingly endorsed the re-election of the retiring Directors as recommended by the NC and table the same to be approved by the shareholders the forthcoming AGM.</p> <p>The Terms of Reference of NC is published on the Company's website at <a href="http://www.rexit.com">www.rexit.com</a>.</p>

<b>Explanation for departure</b>	:	.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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 a majority Independent Directors.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Board currently has seven (7) members comprising two (2) Executive Directors, two (2) Independent Non-Executive Directors and three (3) Non-Independent Non-Executive Directors.	
		Although less than half of the Board comprises Independent Directors, there are five (5) Non-Executive Directors who by virtue of their non-executive positions, are not involved in the day-to-day management of the Group. The Board is of the view that the current composition provides sufficient checks and balances within the Board.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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 provide justification and seek annual shareholders' approval through a two-tier voting process.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Datuk Ng Kam Chiu has been re-designated from Independent Non-Executive Director to Non-Independent Non-Executive Director on 22 May 2023 due to his tenure as an independent director of more than 12 years in the Company.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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 without further extension.

*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.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

**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 non-listed Companies. Any appointment that may cast doubt on the integrity and governance of the Company should be avoided.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has the Nominating Committee (“NC”) who evaluates and recommends any appointment of Board member and Senior Management.</p> <p>The selection criteria for the new directors/senior management and the retiring directors are based on the fit and proper criteria set out in Directors’ Fit and Proper Policy adopted by the Company.</p> <p>In making its recommendations, the NC shall assess and consider the candidates’ skills, knowledge, expertise, experience, professionalism, time commitment to effectively discharge his/her role as a director, contribution and performance, character, integrity and competence.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	For appointment of independent non-executive directors, the Board has taken into account the mix of skills, expertise and experience including from those outside the circle of the Group's core business through referral from independent parties.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Shareholders are kept informed on the Board's decision in respect of appointment of Director via announcements to Bursa Securities and/or issuing press releases.  The details of Directors who are standing for re-election and election are set out in pages 7-9 of the Annual Report.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Nominating Committee ("NC") is chaired by Datuk Ng Kam Chiu, who is a Non-Independent Non-Executive Director.	
		Although Datuk Ng Kam Chiu is a Non-Independent Director, he holds a non-executive position, allowing him to make independent judgement together with the NC.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	As at FYE2023, the Board has one (1) women Director.	
		<p>The Board acknowledges the best practice of MCGG 2021 to comprise at least 30% women on board and is mindful that any gender representation should be in the best interest of the Company. Although the Company has not reached the 30% women representation target at Board level, the Board decisions are made objectively in the best interests of the Group taking into account diverse perspectives and insights. The Board is of the view that it is important to recruit and retain the best available talent regardless of gender, ethnicity and age to maximize the effectiveness of the Board.</p> <p>The Board notwithstanding the view that diversity should be in tandem with expertise, experience and skills and not gender alone acknowledges the importance of the establishment of a gender diversity policy. Hence, the Nominating Committee has been tasked to look for suitably qualified female candidate when there is a vacancy.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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 the Company's policy on gender diversity for the board and senior management.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:	The Board does not have a specific policy on gender diversity for candidates to be appointed to the Board. The Company does not practice any form of gender biasness as all candidates shall be given fair and equal treatment. The Board believes that there is no detriment to the Company in not adopting a formal gender diversity policy as the Company is committed to provide fair and equal opportunities and nurturing diversity within the Company. In identifying suitable candidates for appointment to the Board, the Nominating Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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, its outcome, actions taken and how it has or will influence Board composition.

For Large Companies, the Board engages an independent expert at least every three years, to facilitate objective and candid Board evaluation.

<i>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.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The Nominating Committee (“NC”) annually reviews the effectiveness and composition of the Board and Board Committees in order to ensure the Board and Board Committees have the requisite competencies and capacity to effectively oversee the overall business and carry out their respective responsibilities.  The annual evaluation of the Board and Board Committees were performed by the NC via the relevant assessment forms adopted from the Corporate Governance Guide comprising questionnaires pertaining to the Director’s knowledge and skills, participation, contribution and performance, caliber and personality.  The NC also assessed the independence of the Independent Directors, each of the Independent Directors annually provides the NC with their Self-Assessment Independence Checklist.  The results of annual evaluation were tabled to the Board for notification.  The results of the assessment indicated that the performance of the Board, the Board Committees and the individual Directors during the review period had been good and they had been effective in their overall discharge of functions and duties.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	

<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has in place policy and procedures to determine the remuneration of directors and senior management which are reviewed periodically. The Company's framework on Directors' remuneration has the underlying objectives of attracting and retaining the Directors of high calibre needed to run the Group successfully.</p> <p>In the case of the Executive Directors and senior management, the various components of the remuneration are structured so as to link rewards to corporate and individual performance. In the case of Non-Executive Directors, the level of remuneration reflects the expertise, experience and level of responsibilities undertaken by a particular Non-Executive Director concerned. Where applicable, the Board also takes into consideration any relevant information from market and industry's rate.</p> <p>The Remuneration Policies and Procedures are published on the Company's website at <a href="http://www.rexit.com">www.rexit.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Remuneration Committee ("RC") is responsible to review and ensure fair remuneration policies and procedures are in place to attract and retain the Directors and the Senior Management.</p> <p>The RC reviews and recommends to the Board on remuneration and personnel policies, compensation and benefits programmes with the aim to attract, retain and motivate individuals of the highest quality. The remuneration should be aligned with the business strategy and long-term objectives of the Company, and to reflect the Board's responsibilities, expertise and complexity of the Group's activities.</p> <p>Terms of Reference of the RC which deals with its authority and duties are disclosed on the company's website <a href="http://www.rexit.com">www.rexit.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	Detail disclosure on named basis for the remuneration of individual directors is set out in the Corporate Governance Overview Statement of Company's Annual Report. The remuneration breakdown of individual directors includes fees, salaries, bonuses and other benefits.



No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Datuk Chung Hon Cheong	Executive Director	0	0	0	0	0	800	800	0	0	821,080	195,385	0	46,066	1,062,531
2	Si Tho Yoke Meng	Executive Director	0	0	0	0	0	800	800	0	0	566,248	136,484	0	38,014	740,746
3	Datuk Ng Kam Chiu	Independent Director	48,000	0	0	0	0	800	48,800	0	0	0	0	0	0	0
4	Dato' Abdul Murad Bin Khalid	Non-Executive Non-Independent Director	24,000	0	0	0	0	800	24,800	0	0	0	0	0	0	0
5	Kuah Hun Liang	Non-Executive Non-Independent Director	24,000	0	0	0	0	800	24,800	0	0	0	0	0	0	0
6	Chan Chee Yuan	Independent Director	24,000	0	0	0	0	800	24,800	0	0	0	0	0	0	0
7	Amarjeet Kaur A/P Ranjit Singh	Independent Director	24,000	0	0	0	0	800	24,800	0	0	0	0	0	0	0
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

**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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Company had disclosed the top five Senior Management's remuneration component in band widths of RM50,000 on aggregate basis in the Corporate Governance Overview Statement of the Company's Annual Report.	
		In the view of Board, the disclosure of the remuneration of key executives on a named basis with specific remuneration components would not be in the best interest of the Company due to confidentiality concerns.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

**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.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Chairman of the Audit and Risk Management Committee, Mr. Chan Chee Yuan, is not the Chairman of the Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has adopted the policy that requires a former key audit partner to observe a cooling-off period of at least two (2) years before being appointed as a member of the Audit Committee. The policy is stated in the Terms of Reference of Audit &amp; Risk Management Committee of the Company which is published on the Company's website at <a href="http://www.rexit.com">www.rexit.com</a>.</p> <p>None of the existing independent directors are former key audit partner of the Company and its subsidiaries.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Audit &amp; Risk Management Committee has an appropriate and transparent relationship with the external auditors and will undertake an assessment of the partner's accessibility, time commitment, objectivity, technical competence and independence of external auditors on annual basis. It includes the following:</p> <ol style="list-style-type: none"> <li>1. the competence, audit quality and resource capacity of the external auditor in relation to the audit;</li> <li>2. the nature and extent of the non-audit services rendered and appropriateness of the level of fees; and</li> <li>3. obtaining 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.</li> </ol>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**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.

<b>Application</b> :	Not Adopted
<b>Explanation on adoption of the practice</b> :	

**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, competent 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	All members of the Audit & Risk Management Committee (“ARMC”) are financially literate and are able to understand matters under the purview of the ARMC including financial reporting process. The Committee members possess the necessary qualification, knowledge, experience, expertise and skills which contributed to the overall effectiveness of the ARMC. All members of the ARMC undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges its responsibilities of setting up and maintaining an effective system in ensuring a proper risk management environment. In achieving this, the Board has ensured that the system of internal control has taken into account the process of identifying key risks, the likelihood of occurrence and materiality. The Board believes that the internal control systems and procedures provide reasonable but not absolute assurance that assets are safeguarded, transactions are authorised and recorded properly and that material errors and irregularities are either detected or minimised to prevent recurrence.</p> <p>The Risk Management Steering Committee (“RMSC”) is made up of Heads of Departments. The RMSC reports directly to the Audit &amp; Risk Management Committee the outcome of its meetings and such reports are subsequently briefed at Board Meetings.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The organisation’s risk management and internal control framework annual plan are being reviewed and approved annually by the Audit &amp; Risk Management Committee (“ARMC”). The ARMC is supported by a team known as the Risk Management Steering Committee that comprises heads from the various departments and / or projects whom with their intimate knowledge on the operations in their respective areas of responsibilities will meet to identify, evaluate, decide on preventive or mitigating measures, take action, monitor and review the risks that impacts or may impact the organisation.</p> <p>Within the Risk Management Framework Annual Plan is a Risk Assessment Register that captures the assets or operations at risk as identified by the Risk Management Steering Committee team that highlights the hazard, likelihood and impact, severity, risk strategy, mitigating factors, risk monitoring and control for each risk which are reviewed quarterly and reported to the ARMC.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The Board has established Audit & Risk Management Committee (“ARMC”) comprising only non-executive directors with a majority of independent directors. The ARMC is supported by the Risk Management Steering Committee comprising management who are involved in the identification, mitigation, documentation and reporting of the risks.

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Group has an in-house Internal Audit Department (“IAD”). The IAD perform its functions with impartiality, proficiency and due professional care. It undertakes regular monitoring of the Group’s key controls and procedures, which is an integral part of the Group’s system of internal control.</p> <p>The internal audit reports are presented to the Audit &amp; Risk Management Committee (“ARMC”) for its review and deliberation. The ARMC will be briefed on the progress made in respect of each recommendation, and of each corrective measure taken as recommended by the audit findings. The internal auditors report directly to the ARMC to ensure independency.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The internal audit function of the organisation is being carried out by Chew Loon Huat who heads the department and is assisted by Stanley Rajen and both of them to the knowledge of the board are free from any conflict of interest that could impair their objectivity and independence.</p> <p>Chew Loon Huat has worked in various industries with experience in management and handling compliance work which provides him with the required knowledge and experience to handle his roles in taking on the internal audit function of the organisation.</p> <p>Stanley Rajen possesses a Masters in Computer Science and his knowledge and experience provides an important contribution in his audit work where there are requirements to check on the IT aspects of the operations.</p> <p>Annual Compliance Audit Plan are being formulated which are approved by the Audit &amp; Risk Management Committee and the internal audits are carried out within the framework of the annual plan.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the importance of an effective communication channel between the Board and shareholders. The Company's website is updated regularly with the latest corporate developments of the Group and is accessible to shareholders, investors and the public. Shareholders may also send their queries to the Company's Executive Director, Mr. Si Tho Yoke Meng at <a href="mailto:ymsitho@rexit.com">ymsitho@rexit.com</a> or the Chief Financial Officer, Ms. Chan Shih Fei, at <a href="mailto:sfchan@rexit.com">sfchan@rexit.com</a>.</p> <p>The Company is committed to provide clear, accurate and timely disclosure of all material information pertaining to its performance and operations to its stakeholders and the general public. The Board will ensure that it adheres to and comply with the disclosure requirements of the ACE Market Listing Requirements of Bursa Securities as well as the Corporate Disclosure Guide issued by Bursa Securities.</p> <p>The Board acknowledges the importance of timely and equal dissemination of material information to the shareholders, investors and public at large. As such, the Board accords a high priority in ensuring that information is made available and disseminated as early as possible.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**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.

<b>Application</b>	:	Not applicable – Not a Large Company	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Not applicable as the Company is not categorised as “Large Company” as defined in the Malaysian Code on Corporate Governance.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The notice for the upcoming Annual General Meeting (“AGM”) will be provided to shareholders on 27 October 2023 which is 32 days’ notice from the AGM which will be held on 28 November 2023.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	All Directors have confirmed their attendance for the upcoming Annual General Meeting to be held on 28 November 2023, barring unforeseen circumstance. Their presence provide opportunity to shareholders to raise questions if addressed to them.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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–

- voting 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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Company’s Annual General Meeting (“AGM”) will be held at Tropicana Golf & Country Resort in Petaling Jaya. This venue is easily accessible and it is familiar to most shareholders of the Company since past AGMs were held at the same venue.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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 the 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.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Chairman has successfully created a meaningful engagement with the Board, Senior Management and Shareholders throughout the 18th Annual General Meeting (“AGM”).</p> <p>The Shareholders were welcomed to pose questions to the Board and Senior Management relating to the AGM matters.</p> <p>The Board endeavours to provide clear and meaningful responses to questions posed to them by shareholders at the AGM.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<i>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.</i>	
<b>Application</b> :	Departure
<b>Explanation on application of the practice</b> :	
<b>Explanation for departure</b> :	<p>The 18th Annual General Meeting (“AGM”) of the Company was held at Tropicana Golf &amp; Country Resort in Petaling Jaya. This venue is easily accessible and it is familiar to most shareholders of the Company since past AGMs were held at the same venue.</p> <p>The Company has less than 2,500 shareholders. As such, while all practical efforts are taken to ensure that shareholders’ ability to participate at general meetings, considering the cost involved, it is not economically justifiable to enable voting in absentia or remote shareholders’ participation at general meetings. Nonetheless, with the advent of technology, the appointed proxies may communicate with shareholders instantaneously on matters deliberated at all general meetings.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**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.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: Minutes of the 18th Annual General Meeting (“AGM”) have been made available to shareholders within 30 business days after the AGM on its website at <a href="http://www.rexit.com">www.rexit.com</a> .
<b>Explanation for departure</b>	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:
<b>Timeframe</b>	:

**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.*

Click or tap here to enter text.