

HEXTAR RETAIL BERHAD

(Company No. 200301031466 (633887-M))

EXECUTIVE & RISK MANAGEMENT COMMITTEE

TERMS OF REFERENCE

1. ROLE:

The main role of the Executive & Risk Management Committee ("ERMC") is to assist the Board of Director in the performance of their duties which consist of the following:-

- (i) The development and implementation of strategies, operational plans, major policies, procedures and budgets;
- (ii) The monitoring of operating and financial performance;
- (iii) The assessment and control of risk;
- (iv) The prioritization and allocation of resources;
- (v) Monitoring competitive forces in each area of operation.

2. COMPOSITION:

The ERMC shall compose of Executive Directors and selected senior management staff as follows:-

Chairman

Eric Vo Nghia Huu (Managing Director)

Members

Jeff Lim Chee Lip (Executive Director Cum Chief Commercial Officer)

Sherese Fong Wai Yi (Chief Financial Officer)

Ng Vic Ca (Chief Operating Officer - Retail)

See Siou Bin (Key Senior Management - Manufacturing)

Others may be invited by the ERMC to attend all or part of any meeting.

3. CHAIRMAN

The Chairman shall be elected from the Committee members who shall be an Executive Director and Key Management Personnel.

4. DUTIES AND RESPONSIBILITIES

- (i) To manage the day-to-day Group operations.
- (ii) To implement strategic business plan and policy approved by the Board.
- (iii) To establish and maintain an adequate and effective Enterprise Risk Management framework and Anti-bribery Management System.
- (iv) To review the risks and opportunities associated with the business strategies and its operating processes.
- (v) To formulate major policies in areas such as succession planning and talent management, human resource management, information technology, communications and investment project reviews.

5. OVERSIGHT AREAS

- (i) Budget review.
- (ii) Merger, acquisition and diversification.
- (iii) Capital spending review.
- (iv) Capital structure policy.
- (v) Review qualification of investment.
- (vi) Enterprise Risk Management, Anti-bribery Management System and Internal Control.

The above areas are subject to the following matters specifically reserved to the Board for decision:

- (i) Acquisition or disposal of any subsidiary or associate company;
- (ii) discontinuation or change of principal activities of the company or its subsidiaries;
- (iii) Extension of advance or financial assistance to business associates in the course of the business exceeding RM1.0 million;
- (iv) Accepting credit facilities amounting to more than RM2.5 million from financial institutions for the company or its subsidiaries;
- (v) Capital or revenue proposal or investment (e.g. construction of building or purchase of land or contract to supply goods) to be committed by the company or its subsidiaries exceeding RM2.5 million per transaction; and
- (vi) Any corporate exercise.

ERMC shall report the assessment of the above 5(vi) Enterprise Risk Management, Anti-bribery Management System and Internal Control to the Board via Audit Committee at least on annual basis:-

- (i) the business risks that have impacted or likely to impact the Group and its achievement of its objectives and strategies;
- (ii) the adequacy and effectiveness of the risk management and internal control system in managing those risks;
- (iii) the incidence of significant control failings or weaknesses that were identified at any time during the financial period and their impact on the Group's performance or condition (financial or otherwise)

6. MEETING

The Committee shall meet at least two months once. However, additional meetings may be called at any time at the Committee Chairman's discretion.

This Terms of Reference was updated and adopted by the Board on 16 April 2025 and is made available on the Company's website, <https://www.hextarretail.com>.