ARVEX BERHAD

[Registration No. 202501045449 (1646857-P)]

EXTERNAL AUDITORS ASSESSMENT

POLICY

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1.0 INTRODUCTION

The Audit Committee ("**AC**") of Arvex Berhad ("Arvex" or the "Company") is responsible for making recommendations to the Board of Directors ("**the Board**") regarding the appointment and removal of the External Auditors of the Company and its subsidiaries (collectively, "**Arvex Group**"). In making those recommendations, the AC is authorised to conduct periodic reviews to assess, monitor, review and supervise the performance, suitability and independence of the External Auditors.

The independence of the External Auditors is the key element of the Company's policy. The selection criteria will ensure that the External Auditors are independent and have the relevant expertise and skill for such an appointment.

2.0 SELECTION AND APPOINTMENT

The Board has delegated to the AC to oversee the appointment, resignation, remuneration and removal of External Auditors.

The Company shall at each annual general meeting appoint or reappoint the External Auditors of the Company, and the External Auditors so appointed shall hold office until the conclusion of the next annual general meeting of the Company.

Should the AC determine a need for a change in External Auditors, the AC will follow the following procedures for selection and appointment of new External Auditors:

(a) To identify the audit firms which meet the criteria for appointment upon considering the engagement proposals;
(b) To assess the proposals and shortlist the suitable audit firms;
(c) To meet and/or interview the shortlisted audit firms;
(d) To recommend the appropriate audit firm to the Board for appointment as External Auditors; and
(e) To endorse the recommendation and seek shareholders' approval for the appointment of the new External Auditors and/or resignation/removal of the existing External Auditors at the general meeting.

The AC may delegate or seek the assistance of the Chief Financial Officer to perform items (a) to (c) above.

3.0 ASSESSMENT CRITERIA

In carrying out its assessment of the External Auditors, the AC considers the following factors:

(a) Competence

The AC shall only consider External Auditors who have not had disciplinary actions taken against them for failure to comply with relevant accounting and reporting standards in the past five (5) years.

The AC shall also consider if the amount of resources that shall be allocated by the External Auditors to Arvex Group is relative to the size and complexity of Arvex Group's audit, and the qualifications, professionalism and/or experience of the engagement team.

(b) Audit Quality

For reappointment of External Auditors, the AC shall, in addition to its own assessment, seek feedback from management on the professional working relationship with the External Auditors, the quality of the audit delivery and the quality of people and service.

Due consideration shall be given to the ability of the External Auditors to adhere to the external audit plan which was agreed at the beginning of the audit period, thoroughness of the audit (within reasonable limits) and effectiveness and efficiency of the engagement team, amongst others.

(c) Independence

Pertaining to independence, the annual assessment would focus on whether there exists any relationship between the External Auditors and the Directors or Senior Management and major shareholders of Arvex Group as well as any conflict of interest arising therefrom. The AC shall also give due consideration to the fees to be paid to the External Auditors for any unreasonable excess above market rate, which may be perceived to affect the objectivity of the External Auditors.

The External Auditors are precluded from providing any services that may impair their independence or conflict with its role as External Auditors. The External Auditors will need to satisfy the AC that:

(a) no services will be provided that will result in a conflict of interest;
(b) any services provided additional to that of the audit function involving non-audit services, would not have a material bearing on the audit and would not involve the firm auditing their own work;
(c) the audit firm has an audit personnel rotation policy, including lead and signing partners, requiring rotation at least every five (5) years; and
(d) there will be no situations where the auditors assume the role of management or where the auditors are placed in the role of advocate for the Company, subsidiaries and joint ventures.

For avoidance of doubt, the AC shall obtain a written declaration on annual basis 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.

With regards to non-audit services, the AC may engage the External Auditors provided that the non-audit services do not, and will not, give rise to questions about or conflict with the External Auditors' independence and their objectivities in carrying out the responsibilities entrusted to them.

The three (3) basic principles to consider in the appointment of External Auditors for non-audit services are as follows:

(i) External Auditors must not function in the role of management;
(ii) External Auditors must not audit their own work; and
(iii) External Auditors cannot serve in an advocacy role of the Company, its subsidiaries and joint ventures.

The External Auditors shall observe and comply with the By-Laws of the Malaysian Institute of Accountants in relation to the provision of non-audit engagement, which include the following:

(a) Accounting and Book Keeping Services;
(b) Valuation Services;
(c) Taxation Services;
(d) Internal Audit Services;
(e) IT Systems Services;
(f) Litigation Support Services;
(g) Recruitment Services; and
(h) Corporate Finance Services.

All engagements of the External Auditors or a firm or corporation affiliated to the auditors' firm to provide non-audit services are subject to the approval by the AC; and with expectation on the Management to obtain confirmation from the External Auditors on their independence which shall not be impaired by the provision of non-audit engagement.

Should the non-audit services constitute up to 50% of the total amount of audit fees paid to the External Auditors, the AC shall recommend to the Board for the provision of such non-audit services.

Additionally, for non-audit services which exceed 50% of the total amount of fees, the AC will consider the skills and experience of the External Auditors and other service providers, and whom would be chosen to be the most suitable provider of such non-audit services. In deciding whether to appoint External Auditors to carry out the services, the principal consideration should be to ensure that the provision of the service does not impair the External Auditors' independence and objectivity.

The same criteria shall apply in the assessment of potential candidates in cases where the AC seeks to recommend to the Board replacements for existing External Auditors.

The AC shall conduct annual assessment on the External Auditors based on the abovementioned criteria, which shall encompass an assessment of the qualifications and performance of the auditors; the quality and candor of the auditor's communications with the AC and the Company; and the auditor's independence, objectivity as well as professional skepticism.

4.0 ROTATION OF KEY AUDIT PARTNERS

The key audit partner responsible for the external audit of Arvex Group shall not serve for a period exceeding five (5) consecutive years, after which the individual shall not be a member of the engagement team or be a key audit partner for Arvex Group for the next two (2) years.

5.0 ANNUAL REPORTING

The External Auditors shall:

a) issue an annual audit plan for review and discussion with the AC;
b) at the conclusion of the audit review, shall discuss findings, significant audit weakness and audit related recommendations with the AC and Senior Management of Arvex Group; and
c) provide a management letter to the AC upon completion of the annual audit.

6.0 REVIEW OF POLICY

The Board may review and amend this External Auditors Assessment Policy from time to time to ensure that it continues to remain relevant and appropriate.

This External Auditors Assessment Policy has been approved and adopted by the Board on 28 August 2026.