CORPORATE GOVERNANCE REPORT

STOCK CODE	**:**	0086
COMPANY NAME	**:**	YGL CONVERGENCE BERHAD
FINANCIAL YEAR	**:**	June 30, 2026

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 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.

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 responsible for the leadership and oversight of Ygl Convergence Berhad ("Ygl" or "the Company"), driving the Company's long-term strategic objectives, sustainable business growth, rigorous governance and safeguarding the interests of its shareholders and stakeholders. The Board has delegated to its Board Committees to facilitate in the effective discharge of the Board's functions. Each Committee operates its responsibilities within the respective approved Terms of Reference ("TOR") as approved by the Board. There is a clear segregation of duties maintained between the Board and the Management, whereby the Board oversees the Company's governance, strategic alignment and long-term direction; while the Management directs day-to-day business operations in line with the Group's corporate objectives and long-term strategic plans in accordance with the Board's guidance and delegated authority. The Board comprises five (5) Directors, consisting of two (2) Executive Directors ("EDs") and three (3) Independent Non-Executive Directors ("INEDs"). The Board collectively provides diverse financial, technical, and industry expertise. The profiles of Directors are presented in the Annual Report 2026 of the Company. The composition of the Board complies with Rule 15.02 of ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") which stipulates that a listed company must have at least two (2) directors or one-third (1/3) of the Board, whichever is the higher, are independent directors. All the independent directors do not participate in the management and are independent of any business or other relationships with the Company and its subsidiaries ("the Group") that would impair their objectivity and independence.

	There is a clear division of responsibilities between the EDs and INEDs. The EDs are responsible for the implementation of the Board's decisions and policies, directing and coordinating the day-to-day management and operation of the business. The INEDs play a significant role in bringing objectivity and scrutiny to the Board's deliberations and decision-making. The EDs, Mr. Yeap Kong Chean ("Mr. Yeap") and Madam Tan Hoay Leng ("Madam Tan"), are primarily responsible for the implementation of the Board's policies and decisions and keeping the Board informed of the overall performance and financial position of the Group. The INEDs, are of sufficient calibre and experience to bring objectivity, balance and independent judgements to the Board's decision. In addition to fulfilling its statutory and fiduciary duties, the Board leads in decision-making and retains ultimate control in determining the Group's strategies and policies over business directions and development. The principal responsibilities of the Board includes the following: - • steering Group's business directions; • reviewing and adopting strategic plans for the Group; • overseeing the Group's business operations and financial performance; • approval of annual and quarterly results, budgets and long-term business plans; • identifying major risks and implementing appropriate risk management and mitigation measures; • reviewing the adequacy and integrity of the Group's internal control system; • reviewing action plans implemented by the Management to achieve targets; and • ensuring compliance with applicable laws, rules and regulations. The Board has delegated to the Audit and Risk Management Committee ("ARMC") to assess and monitor the risk management and internal control systems of the Group, including reviewing the findings of the external and internal auditors and follow-up on the Management's actions. The Board has entrusted the Nominating Committee ("NC") with the responsibility to evaluate the effectiveness of the Board and ARMC, review the independence of the INEDs, and assess candidates for succession to the Board. The Remuneration Committee ("RC"), on the other hand, is delegated to review the remuneration packages of Directors and key senior management to ensure competitiveness while striking a balance for short-term business objectives and the Company's long-term goals.

	The Board recognises and emphasises the importance of clear communication, in recognition of effective engagement with shareholders and stakeholders builds public confidence in the Company. With that the Board strives to ensure that annual reports, quarterly results, press releases and announcements are released timely to disseminate valuable information of the Group's business activities and financial performance. The Board is ultimately responsible for the adequacy and integrity of the Group's internal control system. The Board ensures that there is a sound framework of reporting on internal controls and regulatory compliance. Details relating to the internal control system and review of effectiveness are available in the Statement of Risk Management and Internal Control as set out in the Annual Report 2026 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

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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The position of Chairman is currently vacant, and the Board is in the process of identifying a high-calibre individual to assume this leadership and oversight role. Given the Company being a relatively small in size, with only five (5) members on the Board, the Board currently engages with the Chief Executive Officer ("CEO"), who oversees the day-to-day management and operation of the business. In the absence of a Chairman, the Board collectively deliberates and makes decisions relating to governance matters and business strategies, with appropriate oversight maintained through the collective responsibilities of the Board.	
		Nil	
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 position of Chairman is currently vacant while the position of CEO is assumed by Mr. Yeap. The Board has not appointed a Chairman and is actively seeking a high-calibre Chairman, an individual with the relevant industry background, sound character and long-term perspective and leadership to steer the Group's governance and strategic direction. The Board recognises the importance of having a clear segregation of roles and responsibilities in the Board to ensure a balance of power and authority. As CEO, Mr. Yeap, primarily focuses on the day-to-day management and operation of the Group. The EDs are responsible for the implementation of the Board's decisions and policies, overseeing for the day-to-day management and coordination of business and strategic decisions, while the INEDs play a significant role in bringing objectivity and scrutiny to the Board's deliberations and decision-making.
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

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'.			
Application	:	Applied	
Explanation on application of the practice	:	The position of Chairman is currently vacant. The ARMC, NC and RC comprise exclusively INEDs. The CEO, Mr. Yeap, who also the ED is invited to attend meetings of Board Committees, where appropriate, to provide clarification or input on matters within his knowledge or area of responsibility.	
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 1.5
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 Board is supported by two (2) qualified Company Secretaries, namely Ms. Yeow Sze Min and Ms. Low Seow Wei, both of whom are members of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") and qualified under Section 235(2) of the Companies Act 2016. They ensure that board procedures are strictly adhere to regulatory framework, manage information flow between the management and the Board, facilitate governance best practices, and record all proceedings and follow-up directives. The Company Secretaries play a key advisory and administrative role in supporting the Board's effective functioning and ensuring sound corporate governance practices. Their principal responsibilities include: - • Managing the conduct of the Board and Board Committee meetings, including ensuring proper notice, attendance and documentation; • Ensuring due process and compliance during the Annual General Meeting ("AGM"); • Recording and maintaining minutes of meetings and communicating outcomes to Management for follow-up actions; • Providing updates to the Board on regulatory developments, new guidelines and best practices; • Advising the Board on compliance with the Companies Act 2016, the Company's Constitution, Listing Requirements and other relevant regulations; • Facilitating effective information flow between the Board, its Committees and Management; • Supporting the Board in fulfilling its fiduciary and governance responsibilities; and • Assisting in the induction and orientation of newly appointed Directors.
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	:	The Board meets at least quarterly and convenes additional meetings as necessary to deliberate on urgent matters requiring its attention. The Board is provided with notice of meetings which sets out the relevant agendas and all relevant reports and meeting papers were circulated to the Board within the requisite timeframe to allow the Board sufficient information and time to deliberate on issues to be raised at meetings. The proceedings at all Board/Board Committees meetings are duly recorded in the Minutes and circulated to the Directors in a timely manner. The draft Minutes are tabled for confirmation at the subsequent Board/Board Committees meetings. All confirmed Minutes are properly maintained at the registered office of the Company. The Company Secretaries will communicate the Board's decisions, recommendations and requests to Management through the circulation of the Minutes of meetings for the necessary follow-up actions. Such follow-up actions will be tracked with reference to the previous Minutes and recorded under "Matters Arising" in the Minutes of the subsequent meeting for the Board's information and further consideration, where applicable. For the financial year ended 30 June 2026 ("FY2026"), the Board held six (6) meetings with full attendance recorded for all Directors, including the newly appointed INED, Dato' Seri (Dr.) Haji Abdul Rafique Bin Abdul Karim, who joined the Board on 28 April 2026, except for Mr. Wan Chia Keong, who resigned as an INED on 30 January 2026 and attended two (2) out of the three (3) Board meetings held during his tenure.
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 is guided under a comprehensive Board Charter which outlines the governance framework, division of responsibilities, and operational boundaries of the Board. The Board Charter also provides the framework in assessing the performance of the Board as a whole as well as that of the individual director. The Board Charter is subject to periodic review in order to reflect and align with evolving regulatory mandates and operational needs of the Group. The Board leads the Group and plays a strategic role in overseeing the overall activities of the Management in carrying out the delegated duties in achieving the Group's corporate objectives and long-term strategic plans of the business. The Board has approved a charter providing for the terms of reference in delegation of its duties to the respective Board Committees in relation to the roles and responsibilities, division of responsibilities among the Board and the Board Committees. In addition to statutory and fiduciary duties, the Board leads in decision-making and retains ultimate control in determining the Group's strategies and policies over business directions and development. The Board Charter is made available on the Company's website at htttps://www.yglworld.com/ (hereinafter referred as "Company's website").

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 Board is committed in upholding a high standard of corporate conduct across the Group. The Code of Ethics and Conducts of the Company ("the Code") sets out the ethical principles and standards and appropriate conduct at work adopted by the Group and applicable to all the employees and Board members. Areas covered by the Code encompass information confidentiality and security, conflict of interests, protection of asset, insider trading etc. The Directors are further guided by the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia, which sets out the principles in relation to sincerity, integrity, responsibility and corporate social responsibility. The Board has formalised vide the Code its expectation on time commitment for its members, avoiding or managing any such or potential conflicts of interest as well as the requirement to notify the Board prior to accepting new directorship in any entity's board. Details of the Code are made available for reference on the Company's website.
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	:	To safeguard corporate governance and foster an open, accountable working environment, the Board has adopted a Whistleblower Policy on 26 August 2019, which provides guidelines for safe, transparent reporting channels and protection for both Directors and employees to report suspected wrongdoing, unethical conduct, or regulatory non-compliance within the Group, while simultaneously safeguarding the Company's integrity and interests. Details of the Whistleblower Policy are available for reference on the Company's website.	
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, alongside Senior Management, jointly oversees the Group's sustainability blueprint, embedding environmental, social, and governance ("ESG") dimensions directly into core business strategies, risk framework, and long-term milestones. Ygl's strategic focus spans across corporate culture, transparent governance, empowering local businesses through our software solutions, workforce upskilling, community care, and driving eco-friendly solution like solar energy system. Ygl's key strategic sustainability directions are defined in the following areas: - • Core Values – Building of corporate culture • Governance – Promoting accountability & transparency • Product & Services – Empowering local businesses • Education – Strengthening the local workforce • Community – Fostering care & empathy • Environment – Advancing renewable energy to reduce carbon emission & software technology to optimise resources Further details of the Group's priorities, targets, and performance metrics are available in the Sustainability Statement in the Annual Report 2026 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
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	:	The Board ensures that the Company's sustainability strategies, priorities and targets, as well as its performance against these targets, are effectively communicated to its internal and external stakeholders through the Sustainability Statement in the Annual Report 2026. Ygl will continue to enhance the scope, quality and transparency of its sustainability disclosures to ensure that relevant stakeholders are kept informed of the Company's sustainability performance and progress. Ygl continues to enhance its reporting of its sustainability strategies, priorities and targets, as well as its performance against these targets, in the Sustainability Statement of the Annual Report 2026. The Company will continue to enhance the scope, quality and transparency of its sustainability disclosures in the coming 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
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	:	Applied	
Explanation on application of the practice	:	In compliance with Bursa Securities' enhanced Listing Requirements in relation to sustainability training for Directors, all members of the Board have successfully completed the Mandatory Accreditation Programme ("MAP") Part II. Recognising the growing importance of sustainability, the Company continues to ensure that the Board remains adequately informed and equipped to enhance its understanding of sustainability matters and to effectively oversee the Company's sustainability strategies and initiatives. The Company also continue to provide the Board with relevant updates, briefings and educational resources to support informed oversight of sustainability matters across 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 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	:	The Board acknowledges that the National Sustainability Reporting Framework (NSRF) had established the IFRS S1 and IFRS S2 standards as the mandatory baseline for ACE Market listed issuers starting in FY2027. Accordingly, the Company is actively upgrading its governance structure. Following the publication of its Sustainability Statements, the Board is formalising performance evaluations to integrate a more rigorous ESG metrics and climate-related risk management into both Board oversight and senior management scorecards. This ensures that leadership accountability is directly aligned with upcoming compliance milestones and the long-term management of material sustainability risks and opportunities.	
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 operations 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	:	Adopted
Explanation on adoption of the practice	:	Management has established a Sustainability Task Force headed by a designated Sustainability Officer, Ms. Yeap Kah Phaik, to spearhead ESG integration across daily operations. Building upon initial sustainability disclosures, the Company is progressively refining and evaluating its framework to incorporate specific performance metrics and key performance indicators regarding material sustainability risks and opportunities into the Company's business operations and decision-making processes.

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 Board, spearheaded by the Nomination Committee ("NC"), remains firmly dedicated to continuous improvement in boardroom dynamics, in ensuring a mix of individuals of optimal balance of skills, industry-specific knowledge, and professional backgrounds. The Board recognises boardroom diversity enhances the Board's effectiveness, perspectives, creativity and overall performance. The NC assists the Board in conducting rigorous annual evaluations to assess the effectiveness and performance of the Board as a whole and its Board Committees. The criteria for annual evaluation of the Board's roles, duties and responsibilities, as well as the collective competency, expertise and contributions of its members. The performance evaluation of the Board and Board Committees also considers, amongst others, their composition, processes, accountability, responsibilities and fulfilment of duties. The re-election of retiring Directors is subject to a satisfactory performance evaluation, the applicable criteria under the Directors' Fit and Proper Policy and the NC's recommendation to the Board. Accordingly, the NC will recommend to the Board the re-election of retiring Directors based on the outcome of the annual performance evaluation, their continued suitability and their compliance with the criteria set out in the Directors' Fit and Proper Policy. Director tenures are closely monitored to ensure appropriate succession planning and compliance with the applicable tenure threshold. Recommendations for the re-election of retiring directors are made to the Board and, where applicable, put forward to shareholders for approval only after a comprehensive assessment of their performance, continued commitment, suitability and contribution to the Board. As at the date of this report, the tenure of the INEDs are as follows:- • Mr. Wong Khai Meng – Six (6) consecutive years in May 2026; • Encik Muhamed Ali Bin Hajah Mydin – Five (5) consecutive years in July 2026; • Dato' Seri (Dr.) Abdul Rafique Bin Abdul Karim – less than one (1) year.

	The profiles of the Directors are set out in the Annual Report 2026 of the Company. Pursuant to Clause 76(3) of the Company's Constitution, Madam Tan Hoay Leng ("Madam Tan") and Encik Muhamed Ali Bin Hajah Mydin ("Encik Muhamed") are the Directors retiring at the forthcoming AGM. Having consented and being eligible to continue in office, both Directors have offered themselves for re-election at the forthcoming AGM. Clause 78 of the Constitution of the Company provides that any Director appointed during the year to fill a casual vacancy shall hold office until the next AGM and shall be eligible for re-election. Accordingly, Dato' Seri (Dr.) Haji Abdul Rafique Bin Abdul Karim ("Dato' Seri (Dr.) Haji Abdul Rafique") who was appointed to the Board on 28 April 2026 shall retire and is eligible for re-election. Dato' Seri (Dr.) Haji Abdul Rafique Bin Abdul Karim has consented and offered himself for re-election. Having assessed their respective contributions, experience, commitment to Board affairs, skills and suitability to continue serving on the Board, the NC has recommended to the Board that Madam Tan, Encik Muhamed and Dato' Seri (Dr.) Haji Abdul Rafique be proposed for re-election at the forthcoming AGM.	
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 a majority independent directors.

Application	:	Applied	
Explanation on application of the practice	:	The Board currently comprises five (5) Directors, of whom two (2) are EDs and three (3) are INEDs. Collectively, the Board possesses a diverse blend of financial and technical expertise, broad business acumen and industry-specific knowledge, which, having regard to the scale and operations of the Company, enables the Board to exercise effective oversight and discharge its responsibilities in safeguarding the interests of the Company and its stakeholders.	
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 5.3
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.

<table>
<tr><td>Application :</td><td colspan="3">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="3">None of the INEDs has served tenure for more than nine (9) years: -

<table><tr><td>Years of Service</td><td>< 5 years</td><td>> 5 years</td><td>> 9 years</td></tr><tr><td>INEDs</td><td>1</td><td>2</td><td>-</td></tr></table></td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="3"></td></tr>
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<tr><td colspan="4">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="3"></td></tr>
<tr><td>Timeframe :</td><td colspan="2"></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 5.4 - 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.		
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 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 has adopted a Directors' Fit and Proper Policy on 27 May 2022 which sets out the approach, guidelines and procedures to ensure a formal, rigorous and transparent process for the appointment, re-appointment and re-election of Directors. The said policy is published on the Company's website. Assisted by the NC, the selection and assessment to the Board are guided strictly by objective criteria, professional merit, and technical competencies, while maintaining a firm commitment to fostering diversity across backgrounds, skills, experience, and age. The same benchmark and considerations is similarly adopted in the appointment of senior management by the Board. Whilst the Company does not adopt a formal diversity policy, the Company ensures fair and equitable treatment across all recruitment processes without bias in respect to gender, ethnicity or age. The Company is committed to providing equal opportunities and promoting diversity across the Group. Prospective directors are thoroughly vetted to ensure they possess adequate time commitment to discharge their duties effectively without compromising corporate integrity. Collectively the composition equipped the Board with a mix of industry-specific knowledge and broad business, financial, regulatory and technical experience. Nevertheless, the Board is committed to better enhance the Boardroom composition, for a truly diverse Board in terms of age, ethnicity, thoughts and perspective. In identifying suitable candidates for appointment to the Board, the NC will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on 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
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 :	Applied	
Explanation on application of the practice :	In recommending suitable candidates for directorships and appointment to Board Committees, the NC considers the factors outlined in the Directors' Fit and Proper Policy, and further assessing individual character, integrity, professional competence, time commitment, and strategic alignment with the Group's objectives prior to formal board endorsement. The NC is authorised to engage professional recruitment firms to identify and source suitable candidates for appointment to the Board, and to obtain independent professional advice whenever deemed necessary in the discharge of its duties and responsibilities.	
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 5.7
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 Company provides comprehensive disclosures in its Annual Report, to enable shareholders to make well-informed decisions when considering the appointment or re-election of directors. These disclosure include the profiles and experience of the Directors, their roles and responsibilities, Board Committee composition and roles, meeting attendance records and shareholdings. The Board, supported by the evaluations conducted by the NC, discloses whether it supports the appointment or re-election of the relevant candidates, together with clear and appropriate justifications for its recommendation. In respect of the retiring Directors proposed for re-election at the forthcoming AGM, the Board, through the NC, has assessed their performance, contributions, commitment and suitability to continue serving on the Board. The evaluation also includes an assessment of the independence of the INEDs to ensure that they continue to meet the applicable independence criteria and are able to exercise independent judgement in the discharge of their duties.	
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 :	In line with good corporate governance practices, the NC is chaired by an INED, Encik Muhamed, who was appointed as a member of the NC on 12 July 2021 and re-designated as Chairman of the NC on 23 December 2021. The NC comprises entirely of INEDs and is well-positioned to discharge its functions with the requisite independence, objectivity and impartiality. This ensures that matters relating to Board composition, nominations, performance evaluations and succession planning are considered objectively and in the best interests of the Company. The Board is satisfied with the composition of the NC and is of the view that the Committee is able to discharge its functions and responsibilities effectively and efficiently in respect of nomination and other related matters.	
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	:	The Board and the NC are committed to promoting diversity in the Boardroom, recognising that diversity of perspectives, experience, skills and backgrounds can contribute to the Board's effectiveness, deliberations and decision-making. The Board currently comprises one (1) woman ED, namely Madam Tan, who has served on the Board since 2009 and has been part of the Company's management team since its listing. She is currently the sole woman Director on the five (5)-member Board. While the Board has yet to achieve the 30% representation of women, the Company remains committed to providing equal opportunities in its recruitment and selection processes. Board appointments are made based on merit and objective criteria, taking into consideration the candidates' qualifications, skills, experience, competence, integrity and suitability, while also having regard to diversity, including gender diversity. The NC remains committed to identifying and considering suitably qualified women candidates to progressively enhance gender diversity on the Board. The NC also ensures that the process for the appointment of new Directors is transparent and that candidates are assessed against established and objective criteria, with due consideration given to the Board's overall composition, diversity of skills and experience, and the needs of the Company.
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 the company's policy on gender diversity for the board and senior management.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	While the Company has not established a formal standalone gender diversity policy, it remains committed to promoting diversity, inclusivity and equal opportunity in its leadership. The Company transparently discloses the representation of women and relevant profiles of female Directors and senior management in its Annual Report 2026. These disclosures provide stakeholders with visibility of the Group's current gender representation at the Board and senior management levels and its continued efforts to promote fair representation and equal opportunity.	
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 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.

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 :	The NC oversees a comprehensive annual evaluation process to assess the effectiveness and performance of the Board as a whole and its Board Committees. The evaluation considers key areas including Board composition and dynamics, quality of information and decision-making, Boardroom activities, the Board's relationship with Management, environmental, social and governance ("ESG") matters, and the effectiveness of the Board Committees. The outcomes of the evaluations are reviewed by the NC and the Board to assess the effectiveness of the Board in discharging its governance responsibilities and to inform future Board composition, succession planning and development needs. The NC also reviews the continuous education and training needs of the Directors and conducts an ongoing review of the criteria and expectations applicable to Directors in the discharge of their duties and responsibilities. For FY2026, the NC conducted an annual assessment of the performance and effectiveness of the Board as a whole based on the following criteria: • Board mix and composition; • Quality of information and decision-making; • Boardroom activities; • Board's relationship with Management; • Environmental, Social and Governance ("ESG") matters; and • Performance of Board Committees. Based on the results of the assessment, the NC concluded that the Board had discharged its duties and responsibilities effectively and adequately.

	In addition, the NC conducted an annual assessment of the independence of the INEDs and made its recommendations to the Board. Based on the assessment, the Board was satisfied that each of the INEDs had demonstrated the requisite level of independence and continued to exercise independent judgement in the discharge of their duties. The NC also duly considered and recommended the re-election of the Directors who were subject to retirement by rotation at the 21st AGM held on 27 November 2025. In considering the proposed re-election, the NC took into account, amongst others, the Directors' qualifications, competencies, skills, experience, contributions and commitment, as well as the overall mix of skills and experience required to support the effective functioning of the Board. The NC had duly considered and recommended the re-election of the Directors who were subject to retirement by rotation at the last AGM held on 27 November 2025. Apart from the qualifications and competencies of the said Directors, the NC's review on the proposed re-election as Directors takes into account the mix of skill set, experience and contribution brought to 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
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 RC comprising entirely of INEDs, operates within the framework of the Company's Remuneration Policy, which governs the remuneration framework across the Group. The Remuneration Policy is designed to ensure that the Group's remuneration practices remain competitive and enable the Group to attract, retain and motivate high-calibre talent, while supporting the achievement of its short-term operational objectives and long-term sustainable value creation. The remuneration of EDs and Senior Management is linked to the Group's performance and individual performance, where appropriate, while the fees and benefits of NEDs take into consideration their roles, responsibilities, governance oversight and time commitment. All remuneration recommendations are subject to the appropriate review and approval processes, including Board and shareholders' approval where applicable. The RC reviews the remuneration packages of the Board and Board Committees before making the appropriate recommendations to the Board for consideration and subsequently recommended to the shareholders for approval. For FY2026, the RC carried out its annual review of the remuneration packages of the EDs and Senior Management. The RC also deliberated on the Directors' fees and the benefits payable to the Directors for the period from the conclusion of the forthcoming Twenty-Second ("22nd") AGM until the conclusion of the next AGM to be held in 2027. Following its deliberations, the RC made its recommendations to the Board for consideration, which will subsequently be put forward to shareholders for approval at the forthcoming 22nd AGM.

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 Board established the RC on 28 November 2017 operating under clear Terms of Reference ("TOR") which is made publicly accessible on the Company's website. The RC comprises entirely of INEDs. The RC is delegated to oversee the robust implementation of remuneration policies, rigorously reviewing and recommending competitive compensation packages for the Board and key senior management personnel in alignment with the recommendation of MCCG. For FY2026, the RC had carried out the annual review of the overall remuneration for Directors and key senior management personnel. In addition, the RC had also deliberated on the Directors' fees and benefit payable to NEDs which are subject to the shareholders' approval at the forthcoming AGM. Further to the deliberations, the RC had reported to the Board its recommendation and findings.	
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	:	Please see table below.

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	Yeap Kong Chean	Executive Director	-	-	-	-	-	-	-	-	-	206.7	-	-	12.0	218.7
2	Tan Hoay Leng	Executive Director	20	-	-	-	-	-	20	-	-	105.5	-	-	12.7	118.2
3	Wong Khai Meng	Independent Director	20	-	-	-	-	-	20	-	-	-	-	-	-	-
4	Muhamed Ali Bin Hajah Mydin	Independent Director	20	-	-	-	-	-	20	-	-	-	-	-	-	-
5	Dato Seri (Dr.) Haji Abdul Rafique Bin Abdul Karim *(appointed on 28 April 2026)*	Independent Director	5	-	-	-	-	-	5	-	-	-	-	-	-	-
6	Wan Chia Keong *(resigned on 30 January 2026)*	Independent Director	10	-	-	-	-	-	10	-	-	-	-	-	-	-

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	:	Applied – the company discloses the remuneration of members senior management who are not members of the board	
Explanation on application of the practice	:	In compliance with Practice 7.2 of the MCCG, the remuneration of the Company's four (4) key senior management personnel is disclosed on a named basis in bands of RM50,000 in the Annual Report 2026.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1								
2								
3								
4								
5								

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	:	

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

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	:	Mr. Wong is the Chairman of the ARMC and does not hold the position of Chairman 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
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 TOR of ARMC explicitly mandate that no former partner of the Company's external audit firm shall be appointed as a member of the Committee unless they have observed a mandatory cooling-off period of at least three (3) years. Currently, none of the members of the ARMC is a former partner of the Company's external audit firm.	
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	:	For FY2026, the ARMC enforces rigorous policies and evaluative procedures to monitor the suitability, objective independence, and overall performance of the Group's external auditors, namely Messrs. Forvis Mazars PLT, safeguarding the reliability of audited financial statements. The ARMC obtained formal declaration of independence from the external auditor's confirming that they were, and had been, independent throughout the conduct of the audit engagement in accordance with all relevant professional and regulatory requirements. On 26 August 2025, the ARMC undertook a formal assessment of the suitability, objectivity and independence of Messrs. Forvis Mazars PLT and was satisfied with the results of the external auditors' performance evaluation, and the overall effectiveness of the external audit process for FY2025. Upon considering the suitability, objectivity, and independence of the external auditors, the ARMC has recommended the re-appointment of Messrs. Forvis Mazars PLT as the external auditors of the Company for the shareholders' approval in the Twenty-First (21st) AGM which was held on 27 November 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
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.

Application	:	Adopted
Explanation on adoption of the practice	:	The ARMC is comprised solely of three (3) INEDs.

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.

Application	:	Applied
Explanation on application of the practice	:	The ARMC comprises exclusively INEDs, supporting the Committee's independence and objectivity in the discharge of its oversight responsibilities. Collectively, the members of the ARMC possess appropriate professional experience, financial literacy and commercial acumen to effectively review the financial statements, assess the adequacy and effectiveness of the internal control framework, and engage constructively with the external and internal auditors. Mr. Wong, the Chairman of the ARMC, is a member of the Malaysian Institute of Accountants ("MIA"), thereby fulfilling the requirement under Rule 15.09(1)(c)(i) of the Listing Requirements, which requires at least one (1) member of the Audit Committee to be a member of the MIA. The ARMC is kept appropriately informed by the Company Secretaries and the external auditors on developments in accounting and auditing standards and requirements, including their applicability and potential impact on the Company. Members of the ARMC are also expected to devote sufficient time and effort to maintaining and enhancing their knowledge and skills through relevant continuing education and professional development programmes, thereby supporting informed and effective deliberations in the discharge of their duties and responsibilities.
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 maintains a sound and robust risk management and internal control framework designed to identify, assess, monitor and manage significant operational, financial, regulatory and other risks facing the Group. The Board, with the support of the ARMC, reviews the adequacy and effectiveness of the Group's risk management and internal control framework on an ongoing basis. The framework is intended to safeguard shareholders' investments and the Group's assets, while supporting the Group in responding appropriately to emerging business, sustainability and other material risks. The Board remains committed to continuously reviewing and enhancing the Group's risk management processes and internal controls to ensure that they remain appropriate and responsive to changes in the business environment and applicable requirements. The ARMC is entrusted by the Board with the responsibility of overseeing the adequacy and effectiveness of the Group's risk management and internal control framework and reporting its findings and recommendations to 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
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	:	Details of the Company's internal control system and framework are set out in the Statement on Risk Management and Internal Control in the Annual Report 2026 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
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	:	Not Adopted
Explanation on adoption of the practice	:	

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 Group maintains an effective and independent internal audit function, which has been outsourced to a professional firm, Messrs. Tan & Loh. The internal auditors report directly to the ARMC, providing objective and systematic reviews of the adequacy, efficiency, and integrity of the Group's internal control systems, risk management frameworks, and governance processes. During FY2026, the internal auditors performed two (2) internal audit assignments which covered the topics in accordance with the internal audit plan approved by the ARMC. The internal auditors reported their findings, recommendations and Management's responses directly to the ARMC to ensure systematic risk mitigation and procedural compliance across operations. Management's responses included appropriate actions to address and monitor the areas of weaknesses identified. On behalf of the Board, the ARMC regularly reviews the internal control issues and recommendations highlighted in the internal audit reports. None of the weaknesses identified during FY2026 resulted in any material loss requiring disclosure in the Annual Report 2026 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
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 Group has outsourced its internal audit function to an independent professional firm, Messrs. Tan & Loh, which operates independently of Management and is adequately resourced with competent professionals possessing the requisite skills, qualifications and experience to discharge the internal audit function effectively. The internal auditors perform their duties in accordance with recognised professional standards and frameworks and have unrestricted access to the Group's records, properties and personnel as necessary to conduct their work. They report directly to the ARMC and provide independent and objective assessments, together with recommendations for improvement. The ARMC reviewed and assessed the adequacy and independence of the internal audit function on 27 August 2026 in accordance with Rule 15.12(1)(f) of the Listing Requirements. The assessment was undertaken with reference to, amongst others, the internal audit findings presented to the ARMC twice a year and the Internal Audit Function Evaluation Questionnaire. The internal audit function adopts standards and practices that are aligned with the International Professional Practices Framework issued by the Institute of Internal Auditors. As at 30 June 2026, Messrs. Tan & Loh had a total of 16 personnel. The key personnel responsible for the internal audit function are as follows: 1. Dr. Tan Yen Wooi, Managing Partner of Messrs. Tan & Loh, holds a Master of Science in Professional Accountancy from the University of London, obtained in 2017. He is a member of the MIA, the Malaysian Institute of Taxation and the Institute of Internal Auditors Malaysia, and a Fellow of the Association of Chartered Certified Accountants ("ACCA").

	2. Mr. Sugaintharan, the person-in-charge of the internal audit engagement, holds a Bachelor of Accounting from Anglia Ruskin University, United Kingdom, obtained in 2016. None of the internal audit personnel has any relationship or conflict of interest that could compromise their objectivity or independence in carrying out their duties.	
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 is committed to maintaining transparent, continuous, and constructive communication with shareholders, stakeholders and the wider investment community. The Company ensures that material corporate information, including the Group's financial performance, significant developments and other material information, is disseminated in a timely manner through appropriate communication channels. The Annual Report remains a key channel of communication with shareholders and stakeholders, providing comprehensive information on the Group's financial performance, business activities and key developments. Annual Reports, quarterly financial results, notices of general meetings and other corporate announcements are made available to shareholders and published on the Company's website and, where applicable, Bursa Securities' website. The Company's website is publicly accessible and provides relevant information on the Company and the Group, including corporate information, financial information, Annual Reports and announcements made to Bursa Securities. The Board has also established an appropriate corporate disclosure policy and maintains oversight of the timely disclosure of material and price-sensitive information in accordance with the applicable requirements of Bursa Securities. The Group maintains an active and constructive communication approach with its shareholders and stakeholders to keep them informed of the Group's performance and major developments. Beyond its statutory and regulatory disclosures, the Group also engages relevant stakeholders through specialised technology seminars and industry talks, where appropriate, to facilitate the sharing of knowledge and industry developments. For FY2026, the Company did not conduct any investor relations (IR) event. Nevertheless, the Company continued to engage with its stakeholders through its established communication channels and other relevant engagement initiatives.

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	Practice 13.1 of the MCCG recommends that a company provides shareholders with at least twenty-eight (28) days' notice of a general meeting to allow sufficient time for shareholders to review the relevant information and make informed decisions on the matters to be considered at the meeting. The Company is cognisant of this recommended practice and endeavours to comply with it. However, due to unforeseen circumstances, the Notice of the 21st AGM held in 2025 was issued less than twenty-eight (28) days prior to the date of the meeting. Notwithstanding this, the Company complied with the applicable Listing Requirements, which require at least twenty-one (21) days' notice to be given to shareholders. The notice period provided was considered sufficient to enable shareholders to review the relevant information and consider the matters to be transacted at the 21st AGM.
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 recognises the importance of accountability, transparency and effective engagement with shareholders. At the 21st AGM held on 27 November 2025, all five (5) Directors were present in person to engage directly with shareholders. The three (3) INEDs, who also serve as members and/or Chairman of the ARMC, NC and RC, were present to facilitate direct engagement and address matters within the respective Committees' purview. The CEO, EDs and external auditors were also present at the AGM to respond to shareholders' queries relating to the Group's operational and financial performance, where applicable. During the AGM, shareholders were encouraged to actively participate in the question-and-answer session, seek clarification and express their views on the resolutions proposed and other matters relevant to the Group's business operations.	
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–

- 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.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	While Practice 13.3 of MCCG recommends that companies leverage technology to facilitate voting, including voting in absentia and remote participation by shareholders at general meetings, the Board has assessed the current circumstances and is of the view that such arrangements are not necessary at this juncture. This is primarily due to the current size and geographical distribution of the Company's shareholder base, under which the implementation of remote or hybrid meeting facilities may not be proportionate or cost-effective. At the 21st AGM held on 27 November 2025, the Company adopted poll voting for all resolutions proposed at the meeting, whereby shareholders and proxy holders cast their votes using voting slips. The Board considered this method to be practical and cost-effective having regard to the circumstances of the Company and the number of shareholders participating in the AGM. The Company will continue to review the use of technology for general meetings and voting arrangements, taking into consideration changes in shareholder participation, technological developments and prevailing market practices.
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 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.	
Application :	Applied
Explanation on application of the practice :	The 21st AGM served as an interactive platform characterised by robust dialogue, full attendance of the Board, key management, and external auditors, ensuring that shareholders' queries including formal inquiries from the Minority Shareholders Watch Group ("MSWG"), received direct, thorough, and meaningful responses. Shareholders and proxies were given opportunity to pose questions at the 21st AGM where the Chairman provided ample time during the "Questions and Answers" ("Q&A") sessions. The Board responded to all questions raised by the shareholders pertaining to the agenda and resolutions tabled prior to their voting. In addition, written queries submitted by the MSWG were presented and discussed during the AGM, together with the Company's written responses. The Company publishes comprehensive minutes of general meetings on its official website within the statutory timeframe following the conclusion of the meeting. The minutes provide a transparent record of proceedings, capturing all questions raised by shareholders along with the corresponding responses provided by the Board and management, alongside the detailed voting results for every tabled resolution.
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 meetings were 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 substitute for the circulation of minutes of general meeting.			
Application	:	Applied	
Explanation on application of the practice	:	Minutes of the 21st AGM held on 27 November 2025 were made available on the Company's website within 30 business days from the conclusion of the 21st AGM.	
Explanation for departure	:		
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.

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