CORPORATE GOVERNANCE REPORT

STOCK CODE : 5036
COMPANY NAME : EDARAN 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 (the Board) of Edaran Berhad (the Company) exercises their business judgement to act in what they reasonably believe to be in the best interests of the Company and its shareholders. In furtherance of its responsibilities, the Board of Directors assume, among others, the following responsibilities: 1. Reviewing and adopting a strategic plan for the company Board reviews, challenges and approves management's proposal on the strategic plan for the company. The board brings the objectivity and breadth of judgement to the strategic planning process and satisfy itself that management has taken into account all appropriate considerations in establishing the strategic plan. The Board monitors the implementation of the strategic plan by management. 2. Overseeing the conduct of the company's business Board oversees the performance of the management to determine whether the business is being properly managed. The Board ensures that there are measures in place to assess the management's performance. 3. Identifying principal risks and ensuring the implementations of appropriate internal controls and mitigation measures Board reviews and assesses the effectiveness of the company's policies and practices with respect to risk assessment and risk management. This is to achieve a proper balance between risks exposure and potential returns to stakeholders. 4. Succession Planning Board ensures that all candidates appointed to senior management positions are of sufficient calibre. The board should also be satisfied that

	there are programmes in place to provide for the orderly succession of senior management. 5. Overseeing the development and implementation of a shareholder communications policy for the company Board ensures that the company has in place a policy to enable effective communication with its shareholders and other stakeholders. The policy should include how feedback received from its stakeholders is considered by the company when making decisions. 6. Reviewing the adequacy and the integrity of the management information and internal controls system of the company The Board ensures that there is a sound framework of reporting on internal controls and regulatory compliance. The Board meets four (4) times a year, with additional meeting held as and when required by the Board. The Board also reviews the yearly and three yearly business plan.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	Dato' Bistamam Ramli was appointed as the new Chairman effective 27Aug26. His profile can be viewed in the Company's annual report. Under the Company's Board Charter, the Chairman responsibilities, among others are: 1. Leads the Board in setting the values of the Company; 2. Ensuring all Directors play active roles in the Board activities; 3. Ensuring clear information to the Directors. The Chairman leads the Board meeting and ensures that Directors are properly briefed during the meeting. He leads the discussions and encourages active participation and ensures that every Board resolution is put to vote and the will of majority prevails. Besides ensuring the smooth flow of resolutions tabled in the meeting, the Chairman also manages the communication during the meeting.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	There is a clear division of roles and responsibilities between the Chairman and the Chief Executive Officer (CEO) and they are held by two distinct individuals. The Chairman heads the Board of Directors while the CEO manages the Company's operations. Dato' Abdul Halim Abdullah is the Non Independent Non-Executive Director and Chairman of the Board whereas Dato' Bistamam Ramli is the Chief Executive Officer. The Chairman roles are to ensure that the Board is orderly conducted while the CEO is responsible for the day-today business operations and on the implementation of the Board's decision. Effective 27Aug26, Dato' Bistamam Ramli was appointed as the Chairman due to the retirement of Dato' Abdul Halim Abdullah on 1Jul26.
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 Chairman of the Board is not a member of the Audit Committee, Nomination Committee or Remuneration Committee. The composition for Nomination Committees effective 27AUGUST2026 are: - Md Arif Bin Haji Hasan - Chairman (Independent, Non-Executive Director) Wan Adlan Affandy Bin Wan Abdul Rahman - Member (Non-Independent and Non-Executive Director) Dato' Sri Syed Ismail Syed Azizan (Independent, Non-Executive Director) The composition for Remuneration Committees effective 27AUGUST2026 are: - Ahmad Yasri Mohd Hashim @ Mohd Hassan – Chairman (Independent, Non-Executive Director) Saadah Huda Binti Sholah – Member (Independent, Non-Executive Director) Adenan Ismail - Member (Independent, Non-Executive Director) The composition for the Audit Committees are: - Ahmad Yasri Bin Mohd Hashim @ Mohd Hassan - Chairman (Independent, Non-Executive Directors) Md Arif Bin Haji Hasan (Independent, Non-Executive Directors) Adenan Bin Ismail (Independent, Non-Executive Directors) Wan Adlan Affandy Bin Wan Abdul Rahman (Non-Independent and Non-Executive Director)

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 Company Secretary is Encik Asbanizam Abu Bakar, qualifies to hold the position under Section 235 of the Companies Act, 2016. The Company Secretary has several years of experience and qualified to adequately carry out his duties. He plays the advisory role in supporting the Board to uphold the high standards of corporate governance and are qualified to adequately carry out their duties as advisor to the Board in respect of: • current best practice; • corporate governance requirements and practices; • directors' duties under the law; • board reporting and disclosure obligations; • listing rule requirements; and • proper meetings' procedure. The Company Secretary provides support in facilitates the flow of information to Board. He also serves as a liaison for stakeholders' communication and engagement on corporate governance issues. The Company Secretary has attended relevant training during the financial year relating to Companies Act 2016 and Malaysian Code on Corporate Governance (MCCG) in order to up skill and keep abreast with the latest development in corporate governance realm.
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 four (4) times a year with the annual meeting diary tentatively made in advance to facilitate the Directors. A formal schedule is prepared and notice of the Board meetings is circulated to its members at least 5 days before the meeting. The agenda and the Board papers are circulated to the Directors within reasonable time before each meeting. The Board papers supplied contain all the necessary information that are clear, accurate and comprehensive to enable informed decision making at the Board meeting. Furthermore, the Board has access to all necessary information and communicate its needs for additional information during Board meetings or request from the Management. The deliberations and conclusions of issues discussed and decision made during the meeting are duly recorded in the minutes. The decisions made during the Board meeting are also communicated to the Management for execution.
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	:	This Board of Directors' Charter, based on the established Edaran's Group Charter and Malaysian Code on Corporate Governance 2021 guidelines have been adopted by the Company to assist the Board and its committee in the exercise of their responsibilities. The established Group Charter contains the company's philosophy, values, vision and hope. Abiding by the charter will ensure the Group's future success and prosperity. The Board charter, among others, has also included the following: i. Board's roles and responsibilities; ii. Relationship of the Board to Management; and iii. Board meeting process. The Board Charter is accessible for reference on the Group's website, www.edaran.com
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

The 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 committed to instil ethical values and standard across the Company. The Code of Conduct is available in the Group's website, www.edaran.com The Code of Conduct also covers the relationship with customers, employees and environment.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied	
Explanation on application of the practice	:	The established Code of Conduct covers the whistleblowing policy and procedures and it applies to all Directors and employees. The Whistleblowing policy and procedure is used as guidance on the disclosure of any wrongdoing or improper conduct, inappropriate behaviour, violation of law, rule, regulation and/or a direct threat to the company's interests, such as corruption, fraud or health/safety violations.	
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	:	Sustainability is a subject matter that EDARAN holds dear and pertinent in its endeavours to be a profitable organisation. Sustainability is indeed the operative principle in the Company's mission to be not just a successful company but to be a company of value. The tenet of sustainability, expectedly, runs central within the Company's Charter and manifests itself in practices, direct and indirect, in every activity of the Company. Governance of the Company's sustainability efforts fall upon the shoulder of every member of the organisation beginning with the Board of Directors. The Management and every member of the Staff is empowered to continually identify areas relevant to their function and field of work within the Group, for the consideration of the Board of Directors and the Management and thereafter translated into suitable actions towards sustainability of the issue in question.	
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 Group refers to the Sustainability Statement that is included in the Company's annual report to communicate and engage with its stakeholders. The annual report is available and published at the Company's website at www.edaran.com	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

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

Application	:	Applied	
Explanation on application of the practice	:	Members of the Board always keep themselves abreast of industry happenings and advancements. Some members also participate in programmes prescribed by Bursa Malaysia Securities Berhad to keep themselves updated on knowledge pertaining to the business. They are also been updated with the current business related issues during the quarterly meetings. This would include the sustainability 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
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	:	Self-assessment of Board members is applied for Board evaluation. The Company includes the Sustainability matters in the performance review of the Board and the Senior Management.	
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	:	Not Adopted
Explanation on adoption of the practice	:	

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Nominating Committee and the Remuneration Committee reviewed each member's tenure and the Board's composition. The competencies and the experience of individual Director towards the effectiveness and diversity of the Board are at the satisfactory level.	
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 comprises nine (9) members, five (5) of which are Independent Directors as follows:- i. Encik Ahmad Yasri Mohd Hashim @Mohd Hassan ii. Encik Md Arif Haji Hasan iii. Encik Adenan Bin Ismail iv. Puan Saadah Huda Binti Sholah v. Dato' Sri Syed Ismail Syed Azizan More than half of the Board composed of Independent Directors. With that the Company is able to facilitate greater checks and balances in deliberations and decision making during Board meeting.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.3

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.

Application	:	Applied	
Explanation on application of the practice	:	The Board has adopted a tenure policy where each independent director would be re-elected after nine years on the Board. Upon completion of nine years, an independent director continues to serve on the Board subject to the director's re-designation as a non independent director. The Board also seeks for shareholders' approval in the event a director retains as an independent director, as he/she has served in the capacity for more than nine years. In such situation, the Board makes a recommendation and provide justification to the shareholders in a general meeting.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - 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 principal objective of the Nominating Committee is to assist the Board of Directors in their responsibilities in nominating new nominees to the Board of Directors. The proposed appointment of new member(s) of the Board is recommended by the Nominating Committee to the Board for approval. The Nominating Committee also assess the performance of the Directors of the Company on an on-going basis. The Nominating Committee's responsibilities includes: • Recommend to the Board, technically competent persons of integrity with a strong sense of professionalism and who practise the highest standards for appointment as members of the Board of Directors, Managing Director and members of Board Committees. • Review the Board structure and balance of appointments between Executive and Non-Executive Directors. • Review the adequacy of the Committee structures of the Audit, Nominating, Remuneration and other Board Committees. • Review, on an annual basis, the required mix of skills and experience and other qualities, including core competencies which Non-Executive Directors should bring to the Board. • Carry out the process endorsed by the Board for assessing the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director.
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	:	The Nominating Committee open for referral from any available external sources such as professional associations. As set out in the Standard Operating Procedures and the Board of Directors' terms of reference, the Board may recommend taking independent professional advice. The decision will be made collectively in accordance with procedures stated in the Standard Operating Procedures and/or Board Committees' terms of reference.	
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 Board discloses the appointment and re-appointment of Directors in the Notice of Annual General Meeting in the Annual Report to provide the informed decision to the shareholders.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

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

Application :	Applied	
Explanation on application of the practice :	The composition for the Nominating Committee effective 27Aug26 are: Chairman: Md Arif Bin Haji Hasan (Independent Non-Executive Director) Members: Dato' Sri Syed Ismail Syed Azizan (Independent Non-Executive Director) Wan Adlan Affandy Bin Wan Abdul Rahman (Non-Independent Non-Executive Directors) The terms of reference of the Nominating Committee include all the best practices as required.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
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 is committed to workplace diversity, with a particular focus on supporting the representation of women in the composition of Board and Management of the Company.	
		The Board has one (1) woman Director, Puan Saadah Huda Sholah who was appointed on 24Mar23.	
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	:	The Board does not have the specific policy on gender diversity. However, the Board acknowledges the importance of gender diversity.	
		The Board recognises the gender diversity of at least 30% women directors in companies. The Board will take the steps towards implementing the target and will take relevant measures to reflect the Company's commitment towards gender diversity.	
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 :	Self-assessment of Board members is applied for Board evaluation. The assessment criteria includes Strategic Plan and Performance, Board Organization, Board Risk Oversight and Board Committees.	
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 Remuneration Committee recommends Directors' compensation for approval by the Board. Executive Directors' remuneration packages are set out in their individual contract of service. Non-Executives Directors remuneration package is currently in-line with market trend. The Board is of the opinion that the current level of remuneration is sufficient. The Directors' remuneration is disclosed in bands as set out in the Notes to the Financial Statement under sub-heading 'Profit/(Loss) from Operation' in the Annual Report. The Board has established a Remuneration Committee, with its own specific terms of reference, to undertake all the said responsibilities. The Board's Terms of Reference is disclosed in 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 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 Remuneration Committee is made up of Independent, Non-Executive Directors and the new composition for the Remuneration Committee effective 27Aug26 are En Ahmad Yasri Mohd Hashim @ Mohd Hassan (Chairman), Saadah Huda Sholah (member) and En Adenan Ismail (member). Dato' Abdul Halim Abdullah (previous Chairman) retired on 1Jul26. The terms of reference of the Remuneration Committee include all the best practices as required. Fees payable to Non-Executive Directors are recommended by the Board for approval of shareholders at the Annual General Meeting. The Board's Terms of Reference is disclosed in 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

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	:	Directors' remuneration information is disclosed in the annual report. Detailed disclosure on named basis for the remuneration of individual directors is as attached.

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	Encik Fazlan Azri Tajudin	Executive Director	-		600	200	8.6	97.4	906	36		-	-	-	-	36
2	Dato' Bistamam Ramli	Executive Director	-		-	-	-	-	-	-		270	90	8.33	14.85	383.18
3	Dato' Abdul Halim Abdullah	Non-Executive Non Independent Director	72					59	131	162					59	221
4	Datuk Shu'aib Ishak	Non-Executive Non Independent Director	36					32	68	36					32	68
5	Encik Wan Adlan Affandy Wan Abdul Rahman	Non-Executive Non Independent Director	36					35	71	336					35	371
6	Dato' Sri Syed Ismail Syed Azizan	Independent Director	36					32	68	36					32	68
7	Encik Ahmad Yasri Mohd Hashim @ Mohd Hassan	Independent Director	36					38	74	36					38	74
8	Encik Md Arif Haji Hasan	Independent Director	36					38	74	36					38	74
9	Encik Adenan Ismail	Independent Director	36					38	74	36					38	74
10	Puan Saadah Huda Sholah	Independent Director	36					33	69	36					33	69

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

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	As it is not in the best interest of the Company and the Senior Management personnel, the remuneration packages on a named basis has not been opted. The information is considered sensitive.	
		The remuneration of Senior Managements are being reviewed and approved by the Remuneration Committee.	
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	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome
There is an effective and independent Audit Committee.

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

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

Application	:	Applied
Explanation on application of the practice	:	The Audit Committee is made up of majority Independent Non Executive Directors whose members are:- Chairman : Encik Ahmad Yasri Mohd Hashim @ Mohd Hassan Independent, Non-Executive Director Members : Encik Md Arif Haji Hasan Independent, Non-Executive Director Encik Wan Adlan Affandy Wan Abdul Rahman Non-Independent, Non-Executive Director Encik Adenan Ismail Independent, Non-Executive Director The Chairman of the board is Dato' Bistamam Bin Ramli, effective 27Aug26 following the retirement of Dato' Abdul Halim Abdullah on 1Jul26. As such the Chairman of Audit Committee is distinct from the 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	:	Departure	
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

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	The Audit Committee policies include all the requirements of best practice pertaining to the appointment of the external auditors. The Audit Committee undertakes the following functions and report, where necessary to the Board of Directors: • Review with the external auditor, its audit plan. • Review with the external auditor, its evaluation of the system of internal controls. • Review with the external auditor, its audit report. • Review the assistance given by the employees of the Company to the external auditor. • Review the adequacy of the scope, functions, competency and resources of the internal audit functions and ensure that it has the necessary authority to carry out its work. • Review the internal audit programme, the results of the internal audit programme, processes or investigations undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function. • Review the quarterly results and year-end financial statements, prior to the approval by the Board of Directors, focusing particularly on changes in or implementation of major accounting policy changes, significant or unusual events and compliance with accounting standards and other legal requirements. • Review any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity. • Review any letter of resignation from the external auditor of the Company. • Review whether there is reason (supported by grounds) to believe that the Company's external auditor is not suitable for reappointment. • Review the external auditor's management letter and the management's response thereto. Review any appraisal or assessment of the performance of members of the internal audit function. • Review any appointment or termination of senior staff members of

	the internal audit function. • Review the appointment and remuneration of the external auditor each year and make recommendation thereon. • To be informed of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his/her reasons for resigning, if necessary. • Consider the major findings of internal investigations and management's response thereto. • Consider other topics as defined by the Board of Directors from time to time. • Provide support, as deemed necessary, to the internal audit activities. • Recommend the nomination of a person or persons as external auditor.	
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	:	Applied
Explanation on adoption of the practice	:	The Audit Committee is made up of majority Independent, Non Executive Directors whose members are :- Encik Ahmad Yasri Mohd Hashim @ Mohd Hassan (Chairman) Indpendent, Non-Executive Director Encik Md Arif Hj Hasan (Member) Independent, Non-Executive Director Encik Adenan Ismail (Member) Independent, Non-Executive Director Encik Wan Adlan Affandy Wan Abdul Rahman Non-Independent, Non-Executive Director

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 Audit Committee efficiently reviews and deliberates the quarterly and end of the year financial statements regularly at the Audit Committee meetings.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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 internal control systems are embedded in the operations via the Standard Operating Procedures. The process owners as described in the Standard Operating Procedures are accountable to monitor and preserve the Standard Operating Procedures. The review of these processes is normally performed by the Internal Audit Department. The internal audit reports are formally tabled to the Audit Committee for their review and deliberation. Details of the Risk Management and Internal Control Framework set out in the Statement on Risk Management and Internal Controls of the annual report.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied	
Explanation on application of the practice	:	The internal control systems are embedded in the operations via the Standard Operating Procedures. The process owners as described in the Standard Operating Procedures are accountable to monitor and preserve the Standard Operating Procedures. The review of these processes is normally performed by the Internal Audit Department. The internal audit reports are formally tabled to the Audit Committee for their review and deliberation. The processes that the Directors apply to deal with material internal control are disclosed in the Statement on Internal Control of the Annual Report. An Internal Audit Department has been established to carry out the internal audit function for the Group. Details of the Risk Management and Internal Control Framework set out are in the Statement on Risk Management and Internal Controls of the annual report.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Applied
Explanation on adoption of the practice	:	To streamline the strategic planning and initiatives including all the related risks of the Group, the function of this committee is replaced by The Team and closely monitored by the Board Audit Committee. The composition of The Team is as follows: Members : Fazlan Azri Tajudin (Chairman) Dato' Bistamam Ramli Amal Nadiah Tajudin Amal Najmin Tajudin Asbanizam Abu Bakar Suhaili Ismail The terms of reference of The Team include: • Developing a risk management framework. • Identifying the Group's key business risks. • Developing and implementing mitigating action plans. • Coordinating and monitoring the effectiveness of the Group's risk management activities. • Plan and develop long term strategies and initiatives.

Intended Outcome

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

Practice 11.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Internal Audit Department performs operational and compliance audits and other internal investigations as instructed by the Audit Committee/Board. The internal auditors have their own Charter, Code of Ethics and present the Annual Audit Plan. The internal control systems are embedded in the operations via the Standard Operating Procedures. The process owners as described in the Standard Operating Procedures are accountable to monitor and preserve the Standard Operating Procedures. The review of these processes is normally performed by the Internal Audit Department. The internal audit reports are formally tabled to the Audit.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied	
Explanation on application of the practice	:	The Internal Audit personnel are free from any relationships or conflicts of interest, with any Directors and major shareholders. The Internal Audit personnel also attend training and development courses to keep abreast with the current laws and regulations.	
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 Company has appointed a consultant (under the purview of the Management) to implement the overall programme on investor relations and corporate communications to communicate Company's progress to investors and shareholders. Standard Operating Procedures on Corporate Communications is in place and adhered to.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	Notice of Annual General Meeting has been given to shareholders 28 days prior to the meeting as in page 8 of Company's annual report.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	All directors attended General Meeting. The Chair of Audit, Nominating, Risk Management and other committees provided meaningful response to questions addressed to them.	
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	:	Applied	
Explanation on application of the practice	:	Shareholders will be granted access to participate in the General Meetings (If there is any)	
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 13.4
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 Chairman ensures that the Annual General Meeting provides meaningful engagement between the Board, the Senior Management and the shareholders.	
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 :	Applied	
Explanation on application of the practice :	During the virtual general meeting, shareholders and proxies are able to submit their questions prior to or during the meeting. Questions submitted prior to or during the meeting are read out and addressed during the meeting.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
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	:	The minutes of the general meeting will be circulated within 30 business day.	
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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