

CORPORATE GOVERNANCE REPORT

STOCK CODE : 7246
COMPANY NAME : SIGNATURE INTERNATIONAL BERHAD
FINANCIAL YEAR : December 31, 2025

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 | : | <p>The Board is responsible for the leadership, oversight, control, development and long-term success of the Group. The Board provides strategic direction and ensures that the Group's objectives are aligned with its corporate purpose, with a focus on delivering sustainable long-term value to shareholders.</p> <p>The Board is also responsible for instilling an appropriate corporate culture, values and ethical conduct throughout the Group. It sets the tone at the top by promoting a culture of integrity, accountability, product quality and operational excellence across all levels of the organisation. The roles and responsibilities of the Board are set out in the Board Charter.</p> <p>In discharging its duties, the Board reviews and adopts strategic plans for the Group's growth and expansion, including enhancing production capacity, improving manufacturing efficiency, strengthening supply chain resilience and expanding market presence. The Board ensures that adequate resources, including skilled manpower, raw materials, production technology and financial resources, are in place to support the Group's operations and strategic objectives.</p> <p>The Board has delegated certain responsibilities to its Committees, namely the Audit and Risk Management Committee ("ARMC"), Nomination Committee ("NC") and Remuneration Committee ("RC"), to assist in the effective discharge of its duties. The roles and responsibilities of these Board Committees are set out in their respective Terms of Reference.</p> <p>During the financial year ended 31 December 2025 ("FY2025"), the Board oversaw and ensured that the Company executed its business plans in alignment with its approved strategy and corporate objectives, and applicable legislative requirements. The Board reviewed the Group's business operations on a quarterly basis through reports</p> |

| | | |
|---|---|--|
| | <p>presented by Management, which included quarterly financial results, liquidity position, key financial highlights, as well as updates on market developments and ongoing projects.</p> <p>In line with the growing emphasis on sustainability, the Board also oversaw the Group’s sustainability initiatives, including environmental, social and governance (“ESG”) considerations, to support long-term resilience and responsible business practices.</p> <p>The Board Charter and the Terms of Reference (“TOR”) of the Board Committees are available on the Company’s website at www.signatureinternational.com.my.</p> | |
| <p>Explanation for departure</p> | <p>:</p> | |
| <p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p> | | |
| <p>Measure</p> | <p>:</p> | |
| <p>Timeframe</p> | <p>:</p> | |

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 | : | <p>The Board is led by Datuk Seri Chiau Beng Teik, JP, a Non-Independent Non-Executive Chairman who is responsible for providing effective leadership to the Board and instilling good corporate governance, as well as the overall effectiveness of the Board.</p> <p>The key roles and responsibilities of the Chairman of the Board include the following:-</p> <ul style="list-style-type: none"> a) provide leadership to the Board to enable it to perform its responsibilities effectively; b) lead the Board in the adoption and implementation of good corporate governance practices within the Group; c) manage the interface between the Board and Management; d) ensure that appropriate steps are taken to facilitate effective communication with stakeholders and that their views are conveyed to the Board as a whole; and e) encourage active participation and allow dissenting views to be freely expressed. <p>The roles and responsibilities of the Chairman are clearly set out in the Board Charter.</p> |
| Explanation for departure | : | |
| <p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p> | | |
| 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 | : | <p>The Board recognises the importance of a clear division of responsibilities between the Chairman and the Group Chief Executive Officer (“CEO”) to ensure an appropriate balance of power and authority, such that no individual has unfettered powers of decision-making and control.</p> <p>The position of Board Chairman is currently held by Datuk Seri Chiau Beng Teik, JP, who is responsible for the orderly conduct and effective functioning of the Board. The position of the Group CEO is held by Mr Lau Kock Sang, who is responsible for the day-to-day operations of the Group and ensuring that the Group’s policies and strategies are effectively implemented, with the support of the senior management team.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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

| | |
|--|--|
| <i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i> | |
| Application : | Applied |
| Explanation on application of the practice : | <p>The Chairman of the Board, Datuk Seri Chiau Beng Teik, JP, is not a member of the ARMC, NC and RC of the Company, and did not participate in any meetings of the Board Committees during the FY2025.</p> <p>The Board Charter and TOR of the Board Committees clearly state that the Chairman of the Board shall not be a member of the ARMC, NC and RC. The non-involvement of the Board Chairman in the Board Committees promotes checks and balances, as well as ensures an objective review by the Board when the Board Committees put forward their recommendations.</p> |
| Explanation for departure : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | |
| 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 | : | <p>The Group is currently outsourcing its corporate secretarial function to Tricor Corporate Services Sdn. Bhd.</p> <p>The Board is supported by two Company Secretaries who are Associate Members of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and are qualified Chartered Secretaries under Section 235(2)(a) of the Companies Act 2016.</p> <p>The Company Secretaries play a key advisory and support role to the Board by ensuring that proper governance practices and Board procedures are adhered to, and that the Group complies with all applicable laws, regulations and internal policies. They also keep the Board informed of relevant statutory and regulatory developments by periodically circulating updates and providing briefings during Board meetings.</p> <p>The Company Secretaries attends Board, Board Committees and general meetings to ensure that the meetings are properly convened, and that all deliberations, proceedings and resolutions passed are accurately recorded, minuted and documented.</p> <p>The Company Secretaries keep themselves abreast of regulatory changes and developments in corporate governance by participating in relevant conferences and training programmes.</p> <p>All Directors have ready and unrestricted access to the advice and services of the Company Secretaries in carrying out their duties and responsibilities.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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 | : | <p>An annual calendar of Board and Board Committees meeting, as well as Annual General Meeting is circulated in advance of each new financial year to facilitate planning by the Directors.</p> <p>Notice of meetings and board papers are circulated at least 7 days prior to the date of Board and Board Committee meetings, in accordance with the Company's Board Charter, except for special meetings convened to address urgent matters. This allows sufficient time for Directors and Board Committee members to review and consider the relevant information, and when necessary, to seek further clarification on matters to be deliberated at the meetings.</p> <p>The deliberations and decisions at the Board and Board Committee meetings are properly recorded in the minutes, including any significant concerns, dissenting views or abstentions by Directors from voting or deliberating on specific matters. The minutes are confirmed at the subsequent Board or Board Committee meeting and signed by the respective Chairman.</p> <p>In between scheduled Board meetings, decisions or approvals on urgent or administrative matters are obtained via circular resolutions, which are supported by the relevant information and explanations. The same practice applies to the Board Committees.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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 | : | <p>The Board is guided by its Charter, which serves as a primary reference document and forms part of the induction materials to ensure that all Directors are fully aware of their roles and responsibilities. The Board Charter sets out the Group's governance framework and includes documented policies established by the Board to enable it to discharge, amongst others, its responsibilities in relation to governance and leadership. It also sets out the delegation of authority by the Board to its Board Committees, namely the ARMC, NC and RC.</p> <p>In addition, the Board Charter includes a formal schedule of matters reserved for the Board's consideration and decision.</p> <p>The Board Charter was last reviewed by the Board on 23 August 2022 and is available on the Company's website at www.signatureinternational.com.my.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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 | : | <p>To strengthen the standards of corporate governance and corporate behaviour, the Board has formalised a Code of Ethics and a Code of Conduct (collectively, “the Codes”). The Codes set out the standards of conducts expected of the Directors, officers and employees (collectively “Personnel”) of the Company and its subsidiaries in relation to the Group’s business, including their dealings with one another, shareholders and the broader community.</p> <p>The Codes are intended to guide the Board and Management in identifying areas of ethical risk, provide Personnel with guidance in recognising and addressing ethical issues, establish mechanisms for reporting unethical conduct, and foster a culture of integrity, accountability and transparency.</p> <p>The Codes includes, inter alia, provisions relating to conflicts of interest, the proper use of the Company’s assets and properties, and awareness of prohibited activities or misconduct involving gifts, gratuities, bribery and corruption, insider trading and money laundering.</p> <p>As part of the Company’s commitment against all forms of bribery and corruption, the Board has adopted the Anti-Bribery & Anti-Corruption Policy & Guidelines (“ABAC Policy & Guidelines”), which sets out the principles, rules and guidance applicable to Directors, employees and business associates performing work or services for or on behalf of the Group, in dealing with improper solicitation, requests for bribes and other corrupt practices that may arise in the course of business. The ABAC Policy & Guidelines were last reviewed on 27 August 2025.</p> <p>The Company’s ABAC Policy & Guidelines incorporates a “No Gift” principle, whereby all Directors and employees of the Group to are prohibited from giving or receiving gifts, in order to avoid actual or perceived conflicts of interest and to mitigate the risk of bribery or improper influence.</p> |

| | | |
|---|--|--|
| | <p>The Board, through the ARMC, oversees and ensures accountability in managing corruption risks, including the implementation of appropriate internal controls. Corruption risk assessments are conducted on a regular basis, at least annually and/or when there are changes in laws or business circumstances, to ensure that identified risks remain relevant and that adequate mitigating controls are in place.</p> <p>In addition, the Company had on 22 November 2022 adopted a Conflict of Interest (“COI”) Policy to ensure that actual, potential and perceived conflicts of interest are properly identified, disclosed and managed.</p> <p>The Codes, ABAC Policy & Guidelines and COI Policy are available on the Company’s website at www.signatureinternational.com.my.</p> | |
| <p>Explanation for departure</p> | <p>:</p> | |
| <p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p> | | |
| <p>Measure</p> | <p>:</p> | |
| <p>Timeframe</p> | <p>:</p> | |

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 | : | <p>The Company’s Whistleblowing Policy & Guidelines (“Whistleblowing Policy”) are in place to provide an avenue and a structured mechanism for employees and members of the public to raise or report concerns regarding actual or suspected misconduct, unethical behaviour or improper practices within the Group, without fear of reprisal or unfair treatment. The Whistleblowing Policy has been communicated to employees to create awareness and encourage the reporting of concerns in good faith.</p> <p>The Whistleblowing Policy sets out, inter alia, the procedures for making a report, the process for handling and investigating reported concerns, and general information on whistleblowing and whistleblower protection. All reports are treated with the utmost confidentiality and are thoroughly investigated. Information relating to reports received is disclosed strictly only on a “need to know” basis, subject to approval by Management or the Board, where appropriate.</p> <p>The ARMC oversees the implementation of the Whistleblowing Policy and ensures that appropriate actions are taken in respect of reported concerns.</p> <p>The Whistleblowing Policy was last reviewed on 27 August 2025 and is available on the Company’s website at www.signatureinternational.com.my.</p> |
| Explanation for departure | : | |
| <p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p> | | |
| 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 | : | <p>The Group is committed to operating in a responsible and sustainable manner that supports the delivery of long-term value to its stakeholders and the wider community, while contributing to environmental conservation. The Group's commitment to sustainability and its continuous efforts to enhance its sustainability practices are anchored on 4 key pillars, namely economic, environmental, social and governance.</p> <p>The Group's sustainability agenda is driven by strong leadership from the top, with the Board assuming ultimate responsibility for overseeing the Group's overall sustainability initiatives, strategies and performance.</p> <p>To support the Board in this regard, the Sustainability Steering Committee ("SSC") has been established to lead the formulation of sustainability objectives, targets, priorities and policies. The SSC evaluates economic, environmental, social and governance risks and opportunities, and ensures that sustainability strategies are in line with the Group's overall business objectives.</p> <p>The SSC is supported by Sustainability Working Groups, comprising members of senior management who are responsible for developing sustainability programmes and initiatives within their respective areas of responsibility. They play an active role in executing sustainability initiatives, monitoring performance indicators and tracking sustainability metrics to ensure continuous improvement. Leveraging their functional expertise, they also identify and highlight relevant sustainability risks and opportunities to the SSC to ensure that the Group's sustainability management remains effective and responsive to the evolving business environment.</p> <p>The Company's sustainability report encompassing the Group's on-going sustainability efforts, targets, activities and achievement are</p> |

| | | |
|--|---|--|
| | embedded in the Sustainability Statement of the Company's Annual Report 2025. | |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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 | : | <p>Throughout the years, the Board has consistently strived to keep both internal and external stakeholders informed of the Group’s sustainability activities, including the Company’s strategies, priorities and targets.</p> <p>The Company has established various channels of engagement with its key stakeholders and remains committed to communicating effectively with them on its sustainability strategies, priorities and targets, as well as obtaining valuable insights into their concerns and expectations to support the continuous development of the Company’s sustainability strategies.</p> <p>A comprehensive description of the Group’s sustainability practices and corporate social responsibility initiatives is set out in the Sustainability Statement of the Company’s Annual Report 2025.</p> | |
| Explanation for departure | : | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| 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 | : | The Board continuously keeps itself abreast of, and develops a clear understanding of, the Group's sustainability agenda and its business operations. Relevant sustainability matters issues related to the Company and its business such as compliance with law and regulations, occupational safety and health are constantly brought up in the boardroom for discussion and awareness. In view of the increasing interest from stakeholders and regulators in sustainability-related matters, the Group will continue to engage with its stakeholders and seek further improvements in conducting its business in a more sustainable manner. The Board is also mindful of the need to stay abreast of evolving external trends and developments. | |
| Explanation for departure | : | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| 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 | : | Departure |
| Explanation on application of the practice | : | |
| Explanation for departure | : | <p>The NC, with the assistance of the Company Secretary, conducts an annual assessment and evaluation of the Board, Board Committees and individual Directors. The assessment process encompasses, among others, a review of:</p> <ul style="list-style-type: none"> ➤ the required mix of skills, knowledge, professional background, experience of the Board; ➤ the performance of the Board in addressing the Company's material sustainability risks and opportunities; ➤ the performance and effectiveness of the Board and Board Committees; and ➤ the contribution of each individual Director in discharging their duties and responsibilities. <p>Notwithstanding the absence of a formal performance evaluation specifically addressing material sustainability risks and opportunities, the Board has taken into consideration the roles and responsibilities of the Executive Directors and senior management in managing such risks and opportunities.</p> <p>In addition, to ensure alignment between senior management's objectives and the Group's sustainability goals, the Company has adopted a Performance Management System to assess individual and team performance based on the achievement of the key performance indicators set by the Group.</p> |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | Please explain the measure(s) the company has taken or intend to take to adopt the practice. |
| Timeframe | : | Choose an item. |

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 | : | <p>The NC is responsible for overseeing and reviewing the overall composition of the Board in terms of size, diversity, and the required mix of skills, experience, and other qualities and core competencies required of Directors to drive the Company's business objectives and strategic goals. The NC also reviews the tenure of each Director periodically to ensure appropriate Board refreshment. The re-election of Directors is recommended by the NC to the Board for shareholders' approval, after a satisfactory evaluation of the retiring Director's performance and contribution is performed, including the fit and proper criteria as set out in the Directors' Fit and Proper Policy.</p> <p>The NC had on 25 February 2026 conducted an annual assessment to evaluate the effectiveness of the Board, Board Committees and individual Directors for the FY2025. Based on the assessment results, the NC was satisfied that the Board and Board Committees have the appropriate size, balance and composition in terms of mix of skills, knowledge and experience to optimise the Company's strategy and operations.</p> <p>In considering the re-election of Dato' Che Halin Bin Mohd Hashim and Shelly Chiau Yee Wern, the NC reviewed and assessed their performance, contribution and fit and proper declarations. The NC concluded that the retiring Directors met the fit and proper criteria set out in the Directors' Fit and Proper Policy and had discharged their duties and responsibilities effectively throughout FY2025. Accordingly, the NC recommended their re-election at the 19th Annual General Meeting ("AGM") of the Company to be held on 29 June 2026.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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 comprising 6 Directors, with 50% being Independent Directors, as follows:- | | |
| | | Designation | Number | Percentage |
| | | Executive Directors | 2 | 33.3% |
| | | Independent Non-Executive Directors | 3 | 50.0% |
| | | Non-Independent Non-Executive Director | 1 | 16.7% |
| Total | 6 | 100.0% | | |
| Explanation for departure | : | | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | | |
| 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 | : | None of the Independent Directors have served on the Board for a cumulative term exceeding nine (9) years. | |
| Explanation for departure | : | | |
| | | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| 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 | : | <p>With a view to achieving sustainable and balanced development, the Board recognises the importance of boardroom diversity and values the benefits that such diversity brings to the Board.</p> <p>The appointment of additional Director is made as and when required, based on the evolving needs and skill set requirement of the Board. The NC evaluates and makes recommendations to the Board after considering the candidates' competencies, experience, strengths, expected contributions, independence (where applicable) and various aspects of diversity to ensure an appropriate balance and mix of talents at the Board level.</p> <p>The current composition of the Board reflects a diverse mix of skill sets, knowledge and experience, including accounting, finance, business administration and business management, as well as a broad age range between 30 and 70).</p> <p>The Board, through the NC, undertakes periodic reviews of its composition to ensure that it remains appropriate, balanced and aligned with the Company's strategic objectives. The appointment of senior management personnel is also guided by pre-determined criteria, including relevant skill sets, experience and leadership capabilities, driven by their respective job descriptions.</p> <p>The Board strives to ensure that there is no discrimination on the basis of age, gender, ethnicity or cultural in the selection of candidates for both the Board and senior management.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |

| | | | |
|------------------|---|--|--|
| 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 | : | <p>There was no appointment of a new Director during the FY2025.</p> <p>The NC is guided by the principles set out under Practice 5.5 in assessing and recommending suitable candidates for appointments to the Board and senior management.</p> <p>The NC also relies on the existing network and referrals from Directors, Management and major shareholders as a source for identifying potential candidates, as these represent a proven and effective method of sourcing high-calibre individuals with a sound understanding of the Group's business.</p> <p>The procedures for the appointment of Directors are set out in the TOR of the NC, which is available on the Company's website.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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 | : | <p>Shareholders were provided with detailed information on the Directors standing for re-election at the Company's 18th AGM held on 9 June 2025.</p> <p>Similarly, for the forthcoming 19th AGM to be held on 29 June 2026, shareholders are provided with detailed information on the Directors standing for re-election through the Board of Directors' Profile disclosed in the Company's Annual Report 2025.</p> <p>The Board had also provided in the statement accompanying the Notice of the 19th AGM, a brief description of the 2 retiring Directors, namely Dato' Che Halin Bin Mohd Hashim and Shelly Chiau Yee Wern, including their interests, positions and relationships within or outside the Company (if any), as well as the Board's statement in supporting the NC's recommendation for their re-election. This enables shareholders to make informed decisions on the re-election of Directors.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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 | : | <p>The NC is chaired by Dato' Che Halin Bin Mohd Hashim, an Independent Non-Executive Director.</p> <p>The Board recognises the need for the Chairman of the NC to be independent in order to ensure objectivity and the exercise of independent judgement during deliberations.</p> | |
| Explanation for departure | : | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| 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 Company currently has one (1) woman Director, representing 16.7% women representation on the Board. The Board is of the view that, while it is important to promote gender diversity on the Board, selection based on appropriate blend of merit, competencies, knowledge, skills, experience and contribution to the Company should remain the priority. | |
| | | The Board supports the aspirational target of at least 30% women representation on the Board and endeavours to take incremental steps towards achieving the gender diversity requirement under the Malaysian Code on Corporate Governance (“ MCCG ”). The NC is tasked with identifying and sourcing suitable candidates, guided by the Diversity Policy. | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| Measure | : | Please explain the measure(s) the company has taken or intend to take to adopt the practice. | |
| Timeframe | : | Choose an item. | |

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 | : | Applied | |
| Explanation on application of the practice | : | <p>The Board is supportive of gender diversity and remains committed to improving women participation at all levels of the organisation, including in appointments to the Board, senior management, as well as among officers and employees.</p> <p>The Board currently has 1 woman Director, representing 16.7% women representation on the Board. At the senior management level, the Group has achieved 16% women representation.</p> <p>Details of the Group's gender diversity at the Board and senior management levels are set out in the Company's Annual Report 2025.</p> | |
| Explanation for departure | : | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| 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.

| | |
|--|---|
| <i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i> | |
| Application | : Applied |
| Explanation on application of the practice | : <p>The Board, through the NC, annually reviews the effectiveness of the Board and Board Committees, as well as the performance of individual Directors, through a set of structured questionnaires. Each Director is required to complete the questionnaires, and the results are tabled to and reviewed by the NC. The NC subsequently presents the outcome to the Board for consideration and appropriate action.</p> <p>During the FY2025, the NC, with the facilitation of the Company Secretaries, conducted a formal and objective internal annual assessment of the effectiveness of the Board as a whole, the Board Committees and the contribution of individual Directors, based on self and peer-assessments approach. The results of the assessments, together with the feedback and inputs from the Directors, were properly documented and presented to the Board following the NC meeting.</p> <p>Based on the annual assessment for FY2025, the NC concluded that the Board and Board Committees have the appropriate size, balance and composition in terms of mix of skills, knowledge and experience to support the Company’s performance and strategic objectives. The annual assessment also enabled individual Directors to better identify their training and development needs.</p> |
| Explanation for departure | : |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | |
| 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 | : | <p>The Board acknowledges that remuneration is a key element in attracting, retaining and motivating talented and high-calibre individuals who are capable of effectively managing and driving the business of the Company. In this regard, the Board has adopted a Directors and Senior Management's Remuneration Policy, which sets out the criteria for determining and recommending the remuneration packages of Directors and senior management.</p> <p>Various factors were considered when determining the remuneration of the Executive Directors and senior management of the Company, among others, their duties and responsibilities, skills and experience, individual and corporate performance, as well as the scale, complexity and market conditions of the business.</p> <p>The remuneration of the Non-Executive Directors of the Company is determined by the Board as a whole and is subject to approval by the shareholders at the AGM of the Company.</p> <p>The remuneration packages of Executive Directors are structured to align rewards with corporate and individual performance, while the remuneration of Non-Executive Directors reflects their experience, level of responsibility and contribution to the Board. Directors do not participate in deliberations and decisions in respect of their own remuneration.</p> <p>The Directors and Senior Management's Remuneration Policy is available on the Company's website.</p> |
| Explanation for departure | : | |

| | | |
|--|---|--|
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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 | : | <p>The Board has established a RC, which comprises exclusively Independent Non-Executive Directors.</p> <p>The RC is principally responsible for reviewing and assessing the remuneration packages of Directors and senior management in all forms, to ensure that they remain competitive, appropriate and commensurate with their experience, skills, level of responsibilities, as well as industrial benchmark, in order to support the Company's long-term sustainable growth.</p> <p>The TOR of the RC, which sets out its roles and responsibilities, are available on the Company's website.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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 | : | The Directors only receive remuneration from the Company. The details of remuneration paid/ payable to each of the Directors in respect of the FY2025 is set out in the following page. |

| No | Name | Directorate | Company ('000) | | | | | | | Group ('000) | | | | | | |
|----|---------------------------------|--|----------------|-----------|--------|-------|------------------|------------------|-------|--------------|-----------|--------|-------|------------------|------------------|-------|
| | | | Fee | Allowance | Salary | Bonus | Benefits-in-kind | Other emoluments | Total | Fee | Allowance | Salary | Bonus | Benefits-in-kind | Other emoluments | Total |
| 1 | Datuk Seri Chiau Beng Teik, JP | Non-Independent Non-Executive Chairman | 105 | 0 | 0 | 0 | 0 | 0 | 105 | 105 | 0 | 0 | 0 | 0 | 0 | 105 |
| 2 | Datuk Wira Chiau Haw Choon | Managing Director | 0 | 0 | 75 | 0 | 0 | 11 | 86 | 0 | 0 | 75 | 0 | 0 | 11 | 86 |
| 3 | Shelly Chiau Yee Wern | Executive Director | 0 | 0 | 107 | 0 | 0 | 15 | 122 | 0 | 0 | 107 | 0 | 0 | 15 | 122 |
| 4 | Dato' Che Halin Bin Mohd Hashim | Independent Non-Executive Director | 69 | 0 | 0 | 0 | 0 | 0 | 69 | 69 | 0 | 0 | 0 | 0 | 0 | 69 |
| 5 | Rozahan Bin Osman | Independent Non-Executive Director | 75 | 0 | 0 | 0 | 0 | 0 | 75 | 75 | 0 | 0 | 0 | 0 | 0 | 75 |
| 6 | Chee Jee Kong | Independent Non-Executive Director | 69 | 0 | 0 | 0 | 0 | 0 | 69 | 69 | 0 | 0 | 0 | 0 | 0 | 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 | : | <p>The Board is of the view that it is not in the best interest of the Company to disclose, on a named basis, the remuneration of the top 5 senior management, due to the competitive nature of the talent market.</p> <p>The disclosure of detailed remuneration information may give rise to potential recruitment and talent retention challenges, as well as concerns relating to confidential and sensitivity of such information.</p> <p>Notwithstanding this, the Board ensures that the remuneration of senior management is commensurate with their individual performance, level of responsibilities, and the demands, complexities and performance of the Group. Due consideration is also given to the need to attract, retain and motivate key personnel.</p> <p>The Board, with the support of the RC, is guided by the principle that remuneration should be fair, competitive and not excessive.</p> | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| Measure | : | Please explain the measure(s) the company has taken or intend to take to adopt the practice. | |
| Timeframe | : | Choose an item. | |

| 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 | : | <p>The Chairman of the ARMC is En. Rozahan Bin Osman, while the Chairman of the Board is Datuk Seri Chiau Beng Teik, JP, who is not a member of the ARMC.</p> <p>Having the positions of Board Chairman and Chairman of the ARMC held by different individuals allows the Board to objectively review the ARMC’s findings and recommendations with unfettered objectivity, and to uphold the overall effectiveness and independence of the ARMC.</p> <p>The ARMC Chairman is also able to provide full commitment and devote adequate time to review all matters within the scope of the ARMC’s responsibilities.</p> | |
| Explanation for departure | : | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| 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 | : | <p>The Board recognises the importance of maintaining the independence of the External Auditors from the Board and Management. In line with the recommendations of the MCCG, the TOR of the ARMC and the External Auditors' Assessment Policy provide that a former key audit partner is required to observe a cooling-off period of at least 3 years before being appointed as a member of the ARMC, to safeguard the integrity and independence of the audit process.</p> <p>To-date, none of the ARMC members are former key audit partners of the external audit firm(s) of the Company or the Group.</p> | |
| Explanation for departure | : | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| 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 | : | <p>The Board has put in place an External Auditors' Assessment Policy, which acts as a guideline for the ARMC in discharging its responsibility to review, assess and monitor the performance, suitability and independence of the Company's External Auditors ("EA"), in order to safeguard the quality and reliability of the audited financial statements.</p> <p>The ARMC, on an annual basis, assesses the independence and effectiveness of the EA in performing the audit before recommending their re-appointment as the Company's EA. The ARMC also reviews the nature and extent of non-audit services rendered by the EA during the financial year to ensure that the provision of such services does not compromise their independence and objectivity.</p> <p>Guided by the External Auditors' Assessment Policy, the ARMC had on 25 February 2026 assessed the EA, UHY Malaysia PLT ("UHY"), taking into consideration, among others, their quality of services, sufficiency of resources, communication and interaction, independence, objectivity and professional scepticism for the FY2025.</p> <p>During the review of the audit plan for the FY2025, the EA also confirmed their independence in accordance with the By-laws of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants.</p> <p>Based on the assessment conducted on 25 February 2026, the ARMC and Management were satisfied with the suitability of UHY in terms of professional staff assigned to the audit, the quality of services and the sufficiency of resources provided to the Group. The ARMC subsequently recommended to the Board on the re-appointment of UHY as EA of the Company for the ensuing year.</p> |
| 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 comprises solely Independent Non-Executive Directors, as follows: <ul style="list-style-type: none">- Rozahan Bin Osman (Chairman)- Dato' Che Halin Bin Mohd Hashim (Member)- Chee Jee Kong (Member) |

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 | : | <p>The current members of the ARMC, collectively, possess a wide range of skills, knowledge and industry experience, as well as the requisite financial literacy to discharge their duties effectively. The qualifications and experience of the individual ARMC members are disclosed in the Company's Annual Report 2025.</p> <p>The ARMC members continuously apply a critical and probing perspective to the Company's financial reporting process, transactions and other financial information, and effectively challenge Management's assertions on the Company's financial position during the ARMC meeting.</p> <p>Professional development for Directors is an on-going process and the ARMC members are encouraged to attend training programmes to keep abreast of relevant industry issues, market developments and trends, including accounting and auditing standards, practices and regulations, to enable them to sustain active participation in ARMC deliberations. In addition, the ARMC receives updates on new accounting standards from the Company's EA.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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 | : | <p>The Board is responsible for the Group’s risk management framework and internal control system, and assisted by the ARMC in ensuring their adequacy, effectiveness and integrity.</p> <p>The Board exercises its oversight of risk management and internal control through the ARMC, which meets on a quarterly basis. To enhance independence and strengthen governance, the Group’s internal audit function is outsourced to Eco Asia Governance Advisory Sdn. Bhd. (“Eco Asia”).</p> <p>Internal audit reviews are conducted using a risk-based approach and are guided by the International Professional Practice Framework issued by the Institute of Internal Auditors.</p> <p>The findings arising from the internal audit process, together with the recommendations for improvement, are presented to Management and the ARMC. Any significant findings are brought to the immediate attention of the ARMC, rather than being deferred to scheduled ARMC meetings.</p> <p>Further details of the Group’s risk management framework and internal control system are set out in the Statement on Risk Management and Internal Control in the Company’s Annual Report 2025.</p> |
| Explanation for departure | : | |
| <p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p> | | |
| 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 | : | <p>The Board has established a framework to review and manage significant risks faced by the Group.</p> <p>The Board, assisted by the ARMC, reviews risk management and internal control issues identified by the Internal Auditors and External Auditors. The ARMC also monitors and assesses the Group's risk appetite and risk tolerance to safeguard shareholders' investments and the Group's assets.</p> <p>Further information on the Group's risk management framework and internal control system is set out in the Statement on Risk Management and Internal Control in the Company's Annual Report 2025.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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 | : | <p>The ARMC of the Company is responsible for monitoring and reviewing the effectiveness of the Group’s internal audit function.</p> <p>To enhance independence and strengthen governance, the Group’s internal audit function is outsourced to Eco Asia, which reports directly to the ARMC. The Internal Auditors undertake independent assessments of the Group’s internal control system on a quarterly basis and provide assurance to the ARMC that no material issues or major deficiencies have been identified that would pose a significant risk to the overall system of internal control under review. The Internal Auditors also perform follow-up audits subsequently to ensure that corrective actions have been effectively implemented.</p> <p>In addition, the ARMC meets with the Internal Auditors without the presence of Management whenever deemed necessary. The Internal Auditors have unfettered access to the ARMC, the Board and Management, as well as to the Group’s documents, records, properties and personnel.</p> <p>The ARMC is satisfied with the adequacy of the scope, functions, competency and resources of the internal audit function of the Group for the FY2025.</p> <p>Further details of the internal audit function are set out in the Statement on Risk Management and Internal Control and the ARMC Report in the Company’s Annual Report 2025.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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 | : | <p>The Group’s internal audit function is outsourced to Eco Asia. The engagement is led by Ms Janeeta Salim, the Head of Internal Audit and Sustainability Department, who has more than 15 years of relevant experience in internal audit, corporate governance, risk management and compliance. She holds a Bachelor’s Degree in Accounting and is an Associate Member of the Institute of Internal Auditors Malaysia (IIAM). All members of the internal audit team possess relevant tertiary qualifications, further enhancing the competency and professionalism of the internal audit functions.</p> <p>The number of staff deployed for each internal audit review ranges from 2 to 4 personnel per visit, including the engagement manager. The staff involved in the internal audit possess professional qualifications and/or university degrees. All internal audit work was carried out in accordance with the International Professional Practices Framework issued by the Institute of Internal Auditors Malaysia.</p> <p>The ARMC had on 25 February 2026 assessed the effectiveness of the Group’s internal audit function for the FY2025 and was satisfied that the Internal Auditors had discharged their responsibilities in a commendable manner, performed competently, function effectively and were provided with sufficient resources and adequate authority to carry out their work.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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 | : | <p>Within the organisation, the Group conducts regular town hall sessions to encourage dialogue between top management and employees. These sessions provide an opportunity for top management to share important information and ensure that employees understand the goals and values of the organisation from time to time.</p> <p>The Group also recognises the importance of effective and timely communication with shareholders and investors to keep them informed of the Group's latest business and corporate developments. Such information is disseminated via the Group's annual reports, quarterly financial results and various disclosures on the Group's website, as well as the official website of Bursa Malaysia Securities Berhad ("Bursa Securities").</p> <p>The Company's website includes an Investor Relations ("IR") section, which is accessible to the public and provides relevant information on the Company. This IR section enhances engagement with investors by including announcements made by the Company, share price information, annual reports and details of the Company's corporate governance structure. All investor relations functions are managed by the Company.</p> <p>The Company has in place Corporate Disclosure Policies & Procedures, which provides guidance on the disclosure of material information and communication with stakeholders in accordance with the Main Market Listing Requirements of Bursa Securities.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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 | : | | |
| | | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| 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 | : | <p>The Board ensures that the notice of the AGM is despatched at least 28 days prior to the meeting.</p> <p>The Notice of the 18th AGM and the Annual Report 2024 were issued on 28 April 2025 for the AGM held on 9 June 2025.</p> <p>The 19th AGM is to be held on 29 June 2026 at Menara Chin Hin, Kuala Lumpur. The Notice of the 19th AGM, together with the proxy form and Administrative Guide, were issued to shareholders and made available on the Company's website on 30 April 2026, which is more than 28 days prior to the AGM.</p> <p>The Notice of AGM, which outlines the resolutions to be tabled at the meeting, is accompanied by detailed explanatory notes and background information on the matters to be decided, to enable shareholders to better understand the proposed resolutions and make informed decisions when exercising their voting rights.</p> | |
| Explanation for departure | : | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| 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 | : | Departure |
| Explanation on application of the practice | : | |
| Explanation for departure | : | <p>The Board recognises its obligations to engage with shareholders and to provide meaningful responses to questions raised during general meetings.</p> <p>During the FY2025, the Company held two general meetings, namely an Extraordinary General Meeting (“EGM”) on 14 April 2025 and the 18th AGM on 9 June 2025. Both meetings were conducted in a conventional manner with the physical presence of shareholders at Menara Chin Hin, Kuala Lumpur.</p> <p>All Directors were present at the AGM. The Group Chief Executive Officer, Group Chief Financial Officer and the External Auditors were also present to address queries raised by shareholders.</p> <p>All issues and questions raised by shareholders pertaining to the Company’s financial statements and business operations were addressed by Management and subsequently recorded in the minutes of the AGM. The minutes of the 18th AGM were thereafter uploaded to the Company’s website.</p> <p>However, two Directors were unable to attend the EGM held in April 2025 due to prior commitments. Notwithstanding their absence, the meeting proceeded with the presence of the remaining Board members, Management and the principal adviser in relation to the corporate proposal, namely the proposed listing of and quotation for the entire enlarged issued share capital of Signature Alliance Group Berhad on the official list of the ACE Market of Bursa Securities. All questions raised by shareholders during the EGM were addressed effectively.</p> |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| 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 | : | <p>During the FY2025, the Company held two general meetings, namely an EGM on 14 April 2025 and the 18th AGM on 9 June 2025. Both meetings were conducted in a conventional manner with the physical presence of shareholders at Menara Chin Hin, Kuala Lumpur.</p> <p>Although the Company has not adopted the technology to facilitate remote shareholders' participation and voting in absentia at general meetings, voting of shareholders who physically attended the Company's AGM and EGM was conducted electronically.</p> <p>The Board has taken the necessary steps to provide shareholders with the opportunity to participate in general meetings by convening such meetings within the Klang Valley, which is easily accessible to shareholders. As all resolutions put to general meetings are voted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Securities, shareholders who are unable to attend the general meetings may appoint any person(s) or the Chairman of the meeting as their proxies to attend, participate, speak and vote on their behalf.</p> <p>The Company acknowledges the recommendation under Practice 13.3 to leverage technology for remote shareholders' participation and voting. However, the Board is of the view that the current physical meeting format remains effective in facilitating direct engagement and interaction between shareholders, the Board and Management. The Board will continue to assess the feasibility and cost-benefit of adopting hybrid meeting platforms in the future, taking into consideration the Company's operational needs and shareholders' interests.</p> |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |

| | | | |
|------------------|---|--|--|
| 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.

| | |
|--|--|
| <i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i> | |
| Application | : Applied |
| Explanation on application of the practice | : <p>The Chairman of the Board ensures that general meetings serve as an effective platform for meaningful engagement between the Board, senior management and shareholders.</p> <p>During the Company's EGM and the 18th AGM held in April and June 2025 respectively, shareholders were given the opportunity to raise issues or questions during the Question and Answers ("Q&A") sessions. Sufficient time was allocated to address the questions posed by shareholders.</p> <p>Members of the Board and senior management, including the Group Chief Executive Officer and Group Chief Financial Officer, were present to provide responses to queries raised by shareholders.</p> <p>All questions raised by shareholders were addressed during the meetings to the best extent possible. The minutes of the EGM and the 18th AGM, together with the responses provided, were published on the Company's corporate website within 30 business days after the general meetings.</p> |
| Explanation for departure | : |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | |
| 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.

| | |
|--|--|
| <i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i> | |
| Application : | Not applicable – only physical general meetings were conducted in the financial year |
| Explanation on application of the practice : | |
| Explanation for departure : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | |
| 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.

| | | |
|--|---|--|
| <i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i> | | |
| Application | : | Applied |
| Explanation on application of the practice | : | The minutes of the EGM and the 18th AGM held in April and June 2025 respectively, together with the responses to questions raised by the shareholders, were published on the Company's corporate website within 30 business days after the general meetings. |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT
CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

Click or tap here to enter text.