

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0242
COMPANY NAME : PAPPAJACK BERHAD
FINANCIAL YEAR : December 31, 2021

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 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.

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 of Directors ("the Board") of Pappajack Berhad ("PAPPAJACK" or "the Company") has overall responsibility over the Company and its subsidiary companies ("PAPPAJACK Group" or "the Group"). The Board is responsible for providing leadership and stewardship over the management and operations of the Group and these includes establishing and setting the goals and strategic directions of the Company and the Group that will ensure its long-term sustainability and resilience.</p> <p>The Board in discharging its fiduciary duties and responsibilities is guided by the Company's Board Charter. In managing the daily affairs of the Group, the Board has delegated such responsibility to the Group Managing Director/Chief Executive Officer ("GMD/CEO").</p> <p>The Board delegates specific responsibilities to four (4) Committees, namely Nomination Committee ("NC"), Remuneration Committee ("RC"), Audit Committee ("AC") and Risk Management Committee ("RMC"). Terms of references ("TOR") have been established for all Board Committees.</p> <p>Board meetings are held on a quarterly basis to ensure the strategic direction of the Company and the Group continues to support long term value creation and to discharge duties and responsibilities.</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

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 an Independent Chairman, Mr Chong Chee Fire, who was appointed to the Board on 3 May 2021. The Chairman is primarily responsible for providing leadership to the Board, facilitating the orderly and constructive resolution of matters reserved for the board, promoting corporate governance and ensuring board effectiveness.</p> <p>Specific responsibilities of the Board Chairman are clearly set out in PAPPAJACK's Board Charter as follows:</p> <ul style="list-style-type: none">• Lead the Board in achieving the corporate objectives and long-term success of the Company.• Review contributions made by Board members and set out criteria on independence assessment.• Facilitate effective and productive working relationships between the Executive Directors and Non-Executive Directors and manage the interface between board and management.• Ensure effective communication with shareholders and stakeholders and enable their views to be communicated to the board as a whole, in particular, at the annual general meeting.• Encourage active participation and allow dissenting views to be freely expressed.• Lead the board in establishing and implementing good corporate governance practices in the Company.• Set agenda for board meetings and ensures the board members receive complete and accurate information on a timely manner.• Manage the business of the Board including setting the board agenda.• Lead board meeting and discussions.
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	:	<p>The Board has ensured that the position of Board Chairman and MD/CEO are held by different individuals. A clear distinction of roles and responsibilities between Board Chairman and MD/CEO has been established and provided in Board Charter.</p> <p>The Chairman of the Company is Chong Chee Fire whose primary responsibility is to provide leadership to the Board, lead discussion on strategies and policies recommended by the Management, facilitate the orderly resolution of matters reserved for the board, and ensuring board effectiveness and its collective oversight over the Group.</p> <p>The Company's MD/CEO is Lim Boon Hua whose primary responsibilities are to oversee the day-to-day running of business and operations of the Group and to implement the strategies and policies of the Board.</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	: Chairman of the Board, Mr. Chong Chee Fire, is not a member of the Audit, Risk Management, Nomination or Remuneration Committee.
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 Board is assisted by an experienced and competent Company Secretary. The Company Secretary assist the Board in its administrative, governance and meeting proceedings. The Company Secretary is well qualified and possess the requisite knowledge and experience to assist the Board in the discharge of their fiduciary duties and responsibilities. The Company Secretaries are qualified by virtue of Section 235(2) of the Companies Act 2016 and information of their membership with relevant professional bodies can be found in Corporate Information of the Annual Report.</p> <p>Specific responsibilities of the Company Secretary are set out in the Board Charter as follows:</p> <ul style="list-style-type: none">• Manage Board and Board committee meeting logistics, attend and record minutes of meetings and facilitate effective communications;• Advise the Board on its roles and responsibilities;• Facilitate the orientation of new directors and assist in director's training and development;• Advise the Board on corporate disclosures and compliance with relevant regulatory and listing requirements;• Manage processes pertaining to the general meeting with shareholders;• Monitor corporate governance developments and assist the Board in applying relevant governance practices; and• Serve as a focal point for stakeholders' communication and engagement on corporate governance matters.
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>Directors have unrestricted and timely access to information on the activities of the Company and the Group. Notice of Board meeting is served to board members either by fax or by e-mail or by post or by courier to the director's registered address.</p> <p>Meeting papers and/or other relevant information and documents relating to the meeting agenda are provided to all Board members prior to the Board meeting so that Board members have sufficient time to appreciate matters for discussion and in turn are able to contribute to constructive deliberation and effective decision-making.</p> <p>The Company Secretary is responsible for recording the minutes of each meeting and such minutes are circulated for the Board's review subsequent to each meeting.</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>A Board Charter has been established by the Company to define and provide guidance on the roles and responsibilities of the Board, Board Committees and its member, including stewardship role, meeting proceedings, authority and powers. The Board Charter is available on the Company's website via www.pappajack.com.my</p> <p>The Board Charter is developed with a view to promote high standards of corporate governance, ensure all Board members acting on behalf of the Company are aware of their duties and responsibilities and the various legislations and regulations affecting their conduct.</p> <p>Core areas that the Board Charter addresses include the following:</p> <ul style="list-style-type: none">• Duties and functions of the Board and Board members;• Board composition and balance;• Directors' tenure, nomination, appointment, remuneration• Obligations of individuals directors, senior independent director, independent director and GMD/CEO• Functions of board committees• Board governance process and procedures• Stakeholders' relationship <p>The Board Charter shall be periodically reviewed and updated in line with changes in regulations and best practices that may impact the Board in the discharge of its responsibilities. With the enforcement of Section 17A of MACC Act 2009 from 1st June 2020 which enables a commercial organisation to be prosecuted if a person associated with the organisation commits a corrupt act, the need for a clear Board Charter with an adequate framework pertaining to anti-corruption practices is essential.</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>The Company's Code of Conduct that set out the core values of the Group has been established. The Code of Conduct acts as guidance for the Board to assist in promoting ethical business conduct and behaviour, and to oblige employees to maintain high standards of ethics and integrity in day-to-day business and operations. The Code of Conduct is available on the Company's website via www.pappajack.com.my.</p> <p>Individual operating subsidiaries have their respective Employee Handbooks which specify detailed obligations of employees and code of conduct at the respective entity. The Board and Management strive to demonstrate their commitments through their conduct and behaviour in order to uphold integrity and ethical values propagated in the Company's code of ethics</p> <p>The Board values integrity in its dealings and observes zero tolerance towards corrupt or illegal practices undertaken by staff in the course of their work. To this end, the Company has adopted an anti-corruption policy and framework in the inculcation of high standards of integrity and ethics across the Group as well as in promoting good corporate governance practices and accountability in its businesses and operations.</p> <p>The Company also have a Whistleblowing Policy & Procedure to allow employees and external stakeholders to report any concern or complaint regarding any questionable or suspicious matter, including conflict of interest, insider trading, collusion with competitors, serious regulatory and legal breaches, fraud, corruption, misconduct, etc. This will assist in establishing good governance and keep stakeholders in check.</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 3.2

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 has developed a Whistleblowing Policy for the Group so as to enable a whistle-blower to report any improper conduct and to provide protection to the whistle-blower against any reprisal as consequence of making such disclosure.</p> <p>The Whistleblowing Policy is applicable to all stakeholders, including employees (including employees on contract terms, temporary or short-term employees and employees on secondment) and third parties who may be aware of or genuinely knows or reasonably belief that an employee of the Company has engaged, is engaging or is preparing to engage in any improper conduct.</p> <p>All whistleblowing report can be made through the following channels:</p> <ul style="list-style-type: none">• Email to enquiry@pappajack.com.my; or• Via Post /Courier <p>An Investigating Team has been established to responsible to investigate on all whistle-blowing cases received and determine on the next appropriate course of action. Detailed procedures on the reporting of improper conduct have been set out in the Whistleblowing Policy that has been published on the Company's website at www.pappajack.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 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	:	One of the key responsibilities of the Board under the Board Charter is to review, approve and implement strategic initiatives that support long term value creation and promote sustainability. Accordingly, the Board is ultimately responsible for ensuring that sustainability is integrated into the strategy setting of PAPPAJACK. In achieving this, the Board has incorporated sustainability considerations into meeting agendas of the Group's meetings. Sustainability related activities undertaken and targets set out by the Company has been disclosed in the Sustainability Statement of the Company's Annual Report for the financial year ended 31 December 2021 ("FY2021").
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>In meeting the objectives on sustainability, the Board undertake review and approval of sustainable development strategies and policies in respect of areas relating to:-</p> <ol style="list-style-type: none">1. Employees - The Company provide training and skills enhancement programs to its employees from time to time.2. Environment - The Board supports initiatives on environmental issues and abide by all environmental impact laws and regulations in the course of its projects.3. Social Responsibility - The Board shall support charitable causes and initiatives on community development projects. <p>Detailed description of PAPPAJACK's stakeholder engagement groups and priority together with its sustainability aspirations and performances are as set out in the Company's Sustainability Statement, which is set out in the Company's Annual Report for FY2021.</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 understands the importance of sustainability creation and has identified its stakeholder engagement groups as well as relevant areas of sustainable management in the Company's Sustainability Statement as set out in the Company's Annual Report for FY2021.	
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	:	As PAPPAJACK has just been listed on 1 April 2022. the Company has yet to have a full year of activity for formal performance evaluation on the board and senior management, particularly in the area of managing and addressing material sustainability risks and opportunities.	
<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 4.5- 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 to perform an annual assessment on the Board's composition as well as the effectiveness and performance of the Board, Board Committees and individual Directors. In line with this assessment, the tenure of each director is also reviewed so as to ensure the Board composition is in line with the best interests of the Company and good corporate governance practices.</p> <p>Evaluation of each Board Committee shall focus on the assessment of the structure, roles and responsibilities and performance of the respective Chairman, as well as its members against the relevant terms of reference. Results of such assessment conducted are to be documented and reported to the Board as part of the Company's ongoing corporate governance practices.</p> <p>The NC will recommend to the Board the candidates for re-election as directors at the general meeting under the annual re-election provisions with due consideration on the extent to of the directors' contribution, expertise, skills, knowledge and experience as well as their roles on the various 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

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	:	<p>The current Board composition is as follows:</p> <table border="1"><thead><tr><th>Designation</th><th>Number of Director</th><th>Percentage (%)</th></tr></thead><tbody><tr><td>Independent Non-Executive Director (including Independent Non-Executive Chairman)</td><td>4</td><td>67</td></tr><tr><td>Executive Director</td><td>2</td><td>33</td></tr><tr><td>Total</td><td>6</td><td>100</td></tr></tbody></table> <p>The Board has ensured that its current composition comprising at least two (2) members or one-third (1/3) of the Board, whichever is higher, are independent. Independent Non-Executive Directors (“INEDs”) provide independent judgement, experience and objectivity without being subordinated to operational considerations to mitigate any possible conflict of interest between the policy-making process and the day-to-day management of the Group.</p> <p>The Board believes that the current size and composition reflects an appropriate balance of Independent, Executive and Non-Executive Directors which is adequate for the scope and nature of the Group’s business and operations.</p> <p>With the assistance of the NC, the Board is to assess the independence of the INEDs on an annual basis prior to re-appointment or when any new interest or relationship develops.</p>	Designation	Number of Director	Percentage (%)	Independent Non-Executive Director (including Independent Non-Executive Chairman)	4	67	Executive Director	2	33	Total	6	100
Designation	Number of Director	Percentage (%)												
Independent Non-Executive Director (including Independent Non-Executive Chairman)	4	67												
Executive Director	2	33												
Total	6	100												
	:													

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	:	<p>According to the Company's Board Charter, the tenure of an INED shall not exceed a cumulative term of nine (9) years. However, there is no INED serving beyond the nine (9) years period.</p> <p>An independent director may be retained as an Independent Director after a cumulative term of nine (9) years, subject to the Board justifying and seeking shareholder's approvals upon recommendation of the NC.</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 5.4 - 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>Selection criteria for directors and senior management are based on an effective integration of competencies, skills, extensive experience and knowledge in order to strengthen the Board and senior management. The Board and senior management possess a mix of financial and accounting, legal practice, business administration and other backgrounds which when working in synergy, could provide the Company with considerable experience in a wide range of activities.</p> <p>The NC plays an important role in monitoring board effectiveness. The responsibilities of NC are as follows:</p> <ul style="list-style-type: none">▪ Assists the Board to establish a formal and transparent procedure on the appointment and assessment of Directors and the Board Committees.▪ Review the work experience, integrity, commitment, competency, qualifications and track record of any proposed new nominees for the positions of directors and CEO before recommending the candidate to the Board for approval.▪ Review the required mix of skills and experience and other qualities including core competencies which Non-Executive Directors should bring to the Board.▪ Assess on an annual basis, the effectiveness of the Board as a whole, the committees of the Board and for assessing the contribution of each individual Director. <p>According to the Company's Board Charter, any Board member, whilst holding in office, is at liberty to accept other board appointments so long as the appointment is not in conflict with the business of the Company and does not detrimentally affect the Director's performance as a Board member. All such appointments must first be notified to the Board Chairman before being accepted. The notification should include an indication of time that will be spent on the new appointment.</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>Policies and procedures for appointment of Directors are outlined in the Board Charter and TOR of NC. The appointment of a new Director is a matter reserved for the Board and decisions made in respect of Board appointment are made based upon recommendation from the NC.</p> <p>On annual basis, the NC shall evaluate the Board's balance, mix of skills, knowledge, experience and diversity as well as the current and future needs of the Company prior to considering or proposing any new appointment to the Board.</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	:	Details of directors appointed have been set out in the Company's Prospectus dated 11 March 2022. Information on the respective directors' interest, position, independence and experience have been clearly set out in the above-mentioned prospectus as well as the Company's Annual Report for FY2021 There has yet to be any new appointment since the Company's listing on 1 April 2022.
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	:	The NC comprises exclusively of Independent Non-Executive Directors and chaired by Dato' Magaret Ting Thien Hung.	
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	:	Applied	
Explanation on application of the practice	:	Although the Company has yet to adopt a gender diversity policy at the Board, the Board is already advocating gender diversity by having two (2) female directors, representing 33% of the Board composition, with the objective of bringing diversity to the Board's deliberation and decision-making process, and to encourage women participation on the Board.	
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 5.10

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	:	Although PAPPAJACK currently does not have a gender diversity policy for the Board and senior management, the Board has already practised gender diversity at the Board and at the workforce level as women representation constituted 30% and 70% respectively.	
<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	: Departure
Explanation on application of the practice	:
Explanation for departure	: As PAPPAJACK has just been listed on 1 April 2022. the Company has yet to have a full year of activity for formal performance evaluation on the board, its committees and each individual director.
<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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The RC has yet to convene its first committee meeting to discuss and review the policies and procedures on the determination of remuneration for directors and senior, and to recommend the same to the Board for approval.	
		Notwithstanding the above, the Group has been providing competitive remuneration to attract and retain talent in accordance with the roles and responsibilities undertaken as well as the job performance delivered.	
<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 Company has established RC to assist the Board in implement the Company's policies and procedures on remuneration and to undertake the below mentioned responsibilities:</p> <ul style="list-style-type: none">• Develop and formulate a transparent policy on the setting of remuneration of directors and senior management;• Adopt a formal and transparent procedure for determining and setting the remuneration package of each director and senior management personnel, including the criteria and consideration on the merits and contributions made;• Align the Executive Director's remuneration, benefits and rewards to corporate and individual performances;• Ensure that the remuneration packages of directors and senior management are sufficient to attract and retain talent needed to manage the Company and the Group successfully; and• Review the remuneration packages from time to time to gauge its competitiveness and attractiveness, and to make recommendations if and when necessary. <p>The Terms of Reference of the RC is available on the Company's website via www.pappajack.com.my</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

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	:	Remuneration of directors for FY2021 are disclosed on a named basis together with the remuneration breakdown on the overleaf 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	Chong Chee Fire	Independent Director	32	-	-	-	-	-	32	-	-	-	-	-	-	-
2	Lim Boon Hua	Executive Director	120	-	118	-	-	15	253	-	-	-	-	-	-	-
3	Law Book Ching	Executive Director	40	-	60	-	-	8	108	-	-	-	-	-	-	-
4	Dato Margaret Ting Thien Hung	Independent Director	24	-	-	-	-	-	24	-	-	-	-	-	-	-
5	Koo Woon Kan	Independent Director	24	-	-	-	-	-	24	-	-	-	-	-	-	-

Intended Outcome

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

Practice 8.2

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

Application	:	Applied – the company discloses the remuneration of members senior management who are not members of the board	
Explanation on application of the practice	:	The Chief Executive Officer, Mr. Lim Boon Hua, Executive Director, Mr. Law Book Ching, Chief Operating Officer, Mr. Lim Chee Hsiung, and the CFO, Mr. Wong Koon Wai form the senior management team. The Board is of the opinion that the disclosure of individual Top Four (4) Senior Management's remuneration in bands of RM50,000 will not have a significant impact on the stakeholders' evaluation of the Group's corporate governance.	
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	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Lim Boon Hua	Chief Executive Officer	100,001-150,000	0-50,000	0-50,000	0-50,000	100,001-150,000	250,001-300,000
2	Law Book Ching	Executive Director	50,001-100,000	0-50,000	0-50,000	0-50,000	0-50,000	100,001-150,000
3	Lim Chee Hsiung	Chief Operating Officer	150,001-200,000	0-50,000	0-50,000	0-50,000	0-50,000	200,001-250,000
4	Wong Koon Wai	Chief Financial Officer	50,001-100,000	0-50,000	0-50,000	0-50,000	0-50,000	100,001-150,000
5	Input info here	Input info here	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						
2	Input info here	Input info here						
3	Input info here	Input info here						
4	Input info here	Input info here						
5	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 AC comprises three (3) members, all 3 members are INEDs Chairman of the AC is Madam Koo Woon Kan and Chairman of the Board is Mr Chong Chee Fire. Both of whom are Independent Non-Executive Directors.	
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	:	As provided in PAPPAJACK AC TOR, a former key audit partner is required to observe a cooling-off period of at least two (2) years before being considered for appointment to be a member of the AC. The cooling-off period is shorter than the recommended period advocated in the latest Malaysian Code on Corporate Governance issued in April 2021 ("MCCG 2021"). As PAPPAJACK has just been listed on 1 April 2022, the Company has yet to revise the above-mentioned cooling period to be in line with MCCG 2021.
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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	As PAPPAJACK has just been only listed on 1 April 2022, the AC has yet to discuss on the establishment of formal policies & procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements. Notwithstanding this, the Board has undertaken informal evaluation of the external auditors.	
<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 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted																		
Explanation on adoption of the practice	:	<p>The AC comprises three (3) members, all of whom are INEDs.</p> <p>Composition of the AC is as follows:</p> <table border="1"> <thead> <tr> <th>No.</th> <th>Name</th> <th>Designation</th> <th>Directorship</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Koo Woon Kan</td> <td>Chairman</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>2.</td> <td>Dato' Magaret Ting Thien Hung</td> <td>Member</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>3.</td> <td>Cheong Woon Yaw</td> <td>Member</td> <td>Independent Non-Executive Director</td> </tr> </tbody> </table>			No.	Name	Designation	Directorship	1.	Koo Woon Kan	Chairman	Independent Non-Executive Director	2.	Dato' Magaret Ting Thien Hung	Member	Independent Non-Executive Director	3.	Cheong Woon Yaw	Member	Independent Non-Executive Director
No.	Name	Designation	Directorship																	
1.	Koo Woon Kan	Chairman	Independent Non-Executive Director																	
2.	Dato' Magaret Ting Thien Hung	Member	Independent Non-Executive Director																	
3.	Cheong Woon Yaw	Member	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	:	All members of the AC are financially literate and possess vast working experience with necessary skills and knowledge from various industries. The AC's Chairman, Madam Koo Woon Kan is a member of Malaysian Institute of Accountants ("MIA") with extensive experience in financial reporting. During FY2021, all members of the AC have participated in Awareness Training on Corporate Liability (Section 17A of MACC Act 2009), AMLA 2001 and have attended the Mandatory Accreditation Program organised Institute of Corporate Directors Malaysia subsequent to FY2021 in equipping themselves for the effective discharge their duties and responsibilities.
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	:	The Board has established an effective risk management and internal control framework within the Group. Details of the risk management and internal control framework are set out in the Company’s Statement on Risk Management and Internal Control as provided in its annual report for FY2021.	
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 10.2

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 Board has disclosed features of the risk management and internal control framework within the Group in the Statement on Risk Management and Internal Control in the Annual Report for FY2021.	
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	:	Adopted																
Explanation on adoption of the practice	:	<p>The RMC has been established to assist the Board to fulfil its fiduciary responsibilities in relation to risk management and internal controls. The Board has established a terms of reference for the RMC and the composition of RMC is no less than three (3) members, comprising a majority of INEDs.</p> <p>Current composition of the RMC is as follows:</p> <table border="1"><thead><tr><th>No.</th><th>Name</th><th>Designation</th><th>Directorship</th></tr></thead><tbody><tr><td>1.</td><td>Koo Woon Kan</td><td>Chairman</td><td>Independent Non-Executive Director</td></tr><tr><td>2.</td><td>Dato' Magaret Ting Thien Hung</td><td>Member</td><td>Independent Non-Executive Director</td></tr><tr><td>3.</td><td>Cheong Woon Yaw</td><td>Member</td><td>Independent Non-Executive Director</td></tr></tbody></table>	No.	Name	Designation	Directorship	1.	Koo Woon Kan	Chairman	Independent Non-Executive Director	2.	Dato' Magaret Ting Thien Hung	Member	Independent Non-Executive Director	3.	Cheong Woon Yaw	Member	Independent Non-Executive Director
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2.	Dato' Magaret Ting Thien Hung	Member	Independent Non-Executive Director															
3.	Cheong Woon Yaw	Member	Independent Non-Executive Director															

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 AC has outsourced the Group's internal audit function to an independent professional service firm to support the AC in performing regular reviews on significant areas and business processes of the Group with a view to assess the effectiveness of the system of internal control currently in place. In line with the above, the scope of work to be undertaken by the outsourced internal audit function in year 2022 has been approved by the AC</p> <p>The outsourced internal audit function is independent and is to report directly to the AC.</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>Subsequent to FY2021, PAPPAJACK has outsourced its internal audit function to a professional services firm, namely Resolve IR Sdn Bhd (“Resolve IR”), to assist the AC in undertaking systematic and independent assessment on the adequacy, efficiency and effectiveness of the Group’s system of risk management and internal control</p> <p>Resolve IR is a corporate member of the Institute of Internal Auditors, Malaysia and it is adequately resourced with 18 personnel having the appropriate qualification and experience. The outsourced internal audit function is free from any relationship or conflict of interest that could impair its objectivity and independence. The outsourced internal audit function reports directly to the AC of PAPPAJACK and administratively reports to the Chief Financial Officer of the Group.</p> <p>The outsourced internal audit function is guided by the International Professional Practice Framework on Internal Auditing issued by the Institute of Internal Auditors. The scope of internal audit reviews for year 2022 has been identified on a risk based approach and detailed areas of audit have been set out in the internal audit plan that has been reviewed and approved by the AC.</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>The Board is mindful on the importance of maintaining proper corporate disclosure procedures with the aim to provide shareholders and investors with comprehensive, accurate and quality information on a timely basis.</p> <p>PAPPAJACK had released their prospectus on 11 March 2022, which provided information to facilitate shareholders' understanding of the Company and the Group's objectives and expectations.</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	:	The Company is not under the category of “Large Companies: as defined in the MCCG 2021 for the time being. Hence, such requirement is not applicable.	
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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	PAPPAJACK was only listed on 1 April 2022 and their 1 st Annual General Meeting (“AGM”) is scheduled to be held in June 2022.	
<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	:	PAPPAJACK was only listed on 1 April 2022 and their 1 st AGM is scheduled to be held in June 2022.	
	:		
<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	:	PAPPAJACK was only listed on 1 April 2022 and their 1 st AGM is scheduled to be held in June 2022.	
	:		
<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 :	Departure
Explanation on application of the practice :	
Explanation for departure :	PAPPAJACK was only listed on 1 April 2022 and their 1 st AGM is scheduled to be held in June 2022.
<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.

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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	PAPPAJACK was only listed on 1 April 2022 and their 1 st AGM is scheduled to be held in June 2022.	
<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	: Departure		
Explanation on application of the practice	:		
Explanation for departure	: PAPPAJACK was only listed on 1 April 2022 and their 1 st AGM is scheduled to be held in June 2022.		
	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	: <table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"></td> </tr> </table>		

**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.

No.
