

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0242
COMPANY NAME : PAPPAJACK BERHAD
FINANCIAL YEAR : December 31, 2024

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") collectively leads and oversees the management of the Company and its subsidiaries ("PAPPAJACK Group" or "the Group"). The Board provides strategic leadership and direction, establishing goals and strategies that promote long-term sustainability and resilience of the Group.</p> <p>In fulfilling its fiduciary responsibilities, the Board is guided by the Company's Board Charter. Day-to-day operational management of the Group is delegated to the Group Managing Director/Chief Executive Officer ("GMD/CEO").</p> <p>To ensure effective governance, the Board has established four (4) committees, namely the Nomination Committee, Remuneration Committee, Audit Committee, and Risk Management Committee, each operating under clearly defined Terms of Reference approved by the Board.</p> <p>Board meetings are held quarterly to review performance, monitor progress against strategic objectives, and ensure that decisions align with the Group's commitment to long-term value creation.</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 1.2

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 Director, Mr. Chong Chee Fire, who was appointed on 3 May 2021. As Chairman, he plays a key role in providing leadership to the Board, fostering sound corporate governance, and ensuring the Board functions effectively and efficiently. He also facilitates the orderly and constructive deliberation of matters reserved for the Board.</p> <p>The Chairman's responsibilities are clearly outlined in the Company's Board Charter, which include:</p> <ul style="list-style-type: none">• Leading the Board in achieving the Company's corporate objectives and long-term success.• Evaluating the contributions of individual Board members and setting criteria for assessing independence.• Promoting effective working relationships between Executive and Non-Executive Directors, and managing the interface between the Board and Management.• Ensuring transparent and effective communication with shareholders and stakeholders, and that their feedback is channelled to the Board, particularly during the annual general meeting.• Encouraging active participation and open expression of differing views.• Guiding the Board in upholding and implementing sound corporate governance practices.• Setting the agenda for Board meetings and ensuring timely dissemination of complete and accurate information to Board members.• Managing the overall business of the Board and leading discussions during 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 :		

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 a clear separation of roles by appointing different individuals to the positions of Chairman and Managing Director/Chief Executive Officer ("MD/CEO"), in line with best governance practices. This separation is clearly defined in the Board Charter.</p> <p>Mr. Chong Chee Fire serves as the Chairman of the Company and is responsible for leading the Board, facilitating strategic discussions on policies proposed by Management, ensuring effective Board oversight, and promoting overall Board effectiveness.</p> <p>Meanwhile, Mr. Lim Boon Hua serves as the MD/CEO and is tasked with managing the day-to-day operations of the Group and executing the strategies and policies approved by 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 Company Secretary is a qualified Chartered Secretary (ICSA) and a Fellow Member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA). She provides guidance to the Board on corporate governance matters, board procedures, administrative issues, and compliance with regulatory requirements. All Directors have unrestricted access to the advice and services of the Company Secretary, whose appointment and removal are decisions reserved for the Board.</p> <p>The Company Secretary plays a crucial role in keeping the Board informed of developments in governance practices and regulatory changes affecting the Company as a public listed entity. To remain up to date, the Company Secretary attends relevant training and seminars, including those related to the Main Market Listing Requirements ("MMLR") of Bursa Securities.</p> <p>Additionally, the Company Secretary issues notices to Directors and Principal Officers on closed periods for trading in the Company's shares in accordance with Chapter 14 of the MMLR. She is also responsible for accurately documenting the deliberations and resolutions of the Board and its 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

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>All members of the Board are supplied with information in a timely manner. Board reports and papers are circulated in advance prior to Board meetings to enable Directors to obtain further information and explanations, where required, before the meetings. 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>The Board Charter, which is published on the Company's website at www.pappajack.com.my, serves as a key reference for governance matters and outlines the roles and responsibilities of the Board, its Committees, individual Directors, and Management.</p> <p>The Charter was developed to uphold high standards of corporate governance and to ensure that all Board members are fully aware of their duties, responsibilities, and the relevant laws and regulations governing their conduct.</p> <p>Key areas covered in the Board Charter include:</p> <ul style="list-style-type: none"> • Roles and responsibilities of the Board and its members; • Board composition and balance; • Tenure, nomination, appointment, and remuneration of Directors; • Obligations of individual Directors, the Senior Independent Director, Independent Directors, and the MD/CEO; • Roles and functions of Board Committees; • Governance processes and procedures; and • Stakeholder engagement. <p>The Board Charter is reviewed periodically and updated as necessary to reflect the evolving needs of the Group and changes in applicable regulatory requirements.</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 has established a Code of Conduct that outlines the core values of the Group and serves as a guide for ethical conduct and responsible behaviour. It reinforces the Board's commitment to uphold high standards of integrity and professionalism across all levels of the organisation. The Code is accessible to the public via the Company's website at www.pappajack.com.my.</p> <p>Each operating subsidiary also maintains its own Employee Handbook, which details employee obligations and codes of conduct applicable at the respective entity level. The Board and Management consistently demonstrate commitment to ethical values through their own conduct, setting the tone from the top.</p> <p>The Company adopts a zero-tolerance approach to corruption and unethical behaviour. An anti-corruption policy and framework have been implemented to instil a culture of integrity and accountability, while promoting sound corporate governance across the Group's operations.</p> <p>In addition, a Whistleblowing Policy is in place to enable employees and external parties to report any misconduct or suspicious activities, such as conflicts of interest, insider trading, collusion, regulatory breaches, fraud, or unethical behaviour, in a safe and confidential manner. This mechanism supports transparency, encourages accountability, and strengthens overall governance within the organisation.</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 established a Whistleblowing Policy to provide a secure and confidential platform for reporting any improper conduct. The policy ensures that whistle-blowers are protected from any form of retaliation or reprisal arising from their disclosure made in good faith.</p> <p>This policy applies to all stakeholders, including employees (whether permanent, contract-based, temporary, or seconded) and third parties who have reasonable grounds to believe that an employee of the Company is or may be involved in misconduct.</p> <p>Whistleblowing reports may be submitted through the following channels:</p> <ul style="list-style-type: none">• Email to: enquiry@pappajack.com.my• Post/Courier <p>An Investigating Team has been appointed to evaluate all whistleblowing reports and determine the appropriate course of action. The reporting procedures, protections, and escalation mechanisms are clearly outlined in the Whistleblowing Policy, which is published on the Company's website at www.pappajack.com.my.</p> <p>During the financial year under review, no whistleblowing reports were received by the Company.</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. As such, the Board is ultimately responsible for ensuring that sustainability is integrated into the company's strategy setting. In support of this, sustainability considerations are incorporated into relevant discussions within the company, enabling the Board to effectively address these matters. The company's sustainability-related activities and the targets set are disclosed in the Sustainability Statement in the company's Annual Report for the financial year ended 31 December 2024 ("FYE 2024")
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>The Board is responsible for reviewing and approving sustainable development strategies and policies in key areas, including:</p> <ol style="list-style-type: none"> 1. Employees - The company provides training and skills enhancement programs to its employees regularly. 2. Environment - The Board supports initiatives addressing environmental issues and ensures compliance with all relevant environmental laws and regulations in the course of its projects. 3. Social Responsibility - The Board actively supports charitable causes and initiatives aimed at community development. <p>A detailed description of the Company’s stakeholder engagement groups, priorities, sustainability aspirations, and performance is provided in the company’s Sustainability Statement, which is included in the company’s Annual Report for FYE 2024.</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 recognizes the importance of sustainability and has identified its key stakeholder engagement groups, along with the relevant areas of sustainable management, as outlined in the company's Sustainability Statement. This information is provided in the Company's Annual Report for FYE 2024, ensuring that the Board is well-informed on sustainability matters, including climate-related risks and opportunities.	
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	:	Applied	
Explanation on application of the practice	:	<p>The performance evaluations of the Board and senior management include a review of the performance in addressing the Company’s material sustainability risks and opportunities.</p> <p>It is part of the procedure to measure progress against the achievement of sustainability targets in order to promote accountability of the Board and senior management and identify issues that may require intervention by the Board and/or senior management to ensure prompt corrective actions are taken.</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 4.5- 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 Nomination Committee is responsible for overseeing the overall composition of the Board, considering factors such as the size, mix of skills, experience, and core competencies, as well as the balance between Executive Directors, Non-Executive Directors, and Independent Directors.</p> <p>The effectiveness of the Board as a whole, as well as the individual contributions of each Director to the Board and its committees, is assessed on an annual basis.</p> <p>Furthermore, the Board Charter stipulates that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completing this term, an Independent Director may continue to serve as a non-independent Director. If the Board wishes to retain an Independent Director beyond nine years, it must justify the decision and seek annual shareholders' approval through a two-tier voting process.</p> <p>The annual re-election of retiring Directors is contingent on a satisfactory evaluation of their performance and contribution 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 5.2

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 consists of six (6) members, including one (1) Independent Non-Executive Chairman, three (3) Independent Non-Executive Directors, and two (2) Executive Directors. The majority of the Board members 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

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 has served on the Board for a cumulative period 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>The current Board comprises Directors with diverse backgrounds and specializations, collectively bringing a broad range of experience and expertise in areas such as finance, accounting, legal practice, and business administration. This diversity provides the company with considerable expertise across various functions.</p> <p>The Nomination Committee ("NC") plays an essential role in monitoring the effectiveness of the Board. The NC's responsibilities include:</p> <ul style="list-style-type: none">• Assisting the Board in establishing a formal and transparent procedure for the appointment and assessment of Directors and Board Committees.• Reviewing the work experience, integrity, commitment, competency, qualifications, and track record of any proposed new nominees for the positions of Directors and CEO, before recommending candidates to the Board for approval.• Reviewing the required mix of skills, experience, and other qualities, including core competencies, that Non-Executive Directors should bring to the Board.• Annually assessing the effectiveness of the Board as a whole, the committees of the Board, and the contributions of each individual Director. <p>According to the Company's Board Charter, Board members may accept other board appointments while in office, provided the appointment does not conflict with the company's business or negatively impact the Director's performance. All such appointments must be notified to the Board Chairman before</p>

	acceptance, including an indication of the time commitment required.	
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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The primary responsibility for screening, evaluating and nominating new Board members for appointment is delegated to the NC. Board appointments are made through a formal and transparent process. In carrying out this responsibility, the NC evaluates each candidate's suitability based on a variety of criteria including skills, knowledge, expertise, experience, professionalism, integrity, as well as the time commitment and value the candidate can bring to complement the Board.</p> <p>In its search for suitable candidates, the NC may receive recommendations from existing Board members, Management and/or major shareholders. The NC also remains open to sourcing candidates through external referrals such as professional bodies, industry associations or independent search firms.</p> <p>During the financial year ended 31 December 2024, the appointments of Ms. Beh Ooi Siew and Ms. Mah Ying Ying as Directors of the Company were made through recommendations from the business networks of existing Board members. While the Company strives to adopt a structured and diverse approach to board appointments, these appointments were made based on the candidates' relevant experience and familiarity with the Company's business, albeit without broader sourcing through external channels.</p>

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure :		
Timeframe :		

Intended Outcome

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

Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied	
Explanation on application of the practice	:	The information relating to appointment or reappointment of a Director are included in the notes accompanying the notice of the general meeting to allow shareholders to make an informed decision on these appointments.	
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 Nomination Committee is chaired by Ms. Koo Won Kan, who is an Independent Non-Executive Director. All members of the Nomination Committee are Independent Non-Executive Directors, in line with the requirement that the committee be led by an Independent or Senior Independent Director.	
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 formalise a gender diversity policy for the Board, it advocates gender diversity through the appointment of two (2) female directors, representing 33% of the Board composition. This reflects the Board's commitment to fostering diversity in its deliberations and decision-making processes, as well as promoting greater female participation at the Board level.	
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 has not formalised a gender diversity policy for the Board and senior management, the Board continues to support and promote gender diversity in practice. As of FYE 2024, women representation stands at 33% at the Board level and 70% at the workforce level, reflecting the Company's ongoing commitment to inclusivity and equal 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

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	: The Board undertakes a formal annual evaluation to assess the effectiveness of the Board, its Committees, and individual Directors. For the financial year ended 31 December 2024, internal evaluations were conducted using structured questionnaires distributed prior to the Nomination Committee (“NC”) meeting. The evaluation covered the following areas: <ul style="list-style-type: none">• Effectiveness of the Board and its Committees;• Character, experience, integrity, competence, and time commitment of each Director;• Skills, experience, and core competencies of individual Directors, including Non-Executive Directors; and• Independence of Independent Directors. Based on the evaluation results, the NC concluded that all four Board Committees – Audit Committee, Risk Management Committee, Nomination Committee, and Remuneration Committee – had effectively discharged their respective functions during the year. The NC also reviewed the self-declared independence assessments completed by the Independent Non-Executive Directors (“INEDs”) and was satisfied that they fulfilled the independence criteria as prescribed under the Main Market Listing Requirements of Bursa Securities. The INEDs were also observed to have continued to exhibit independence in their engagement,

	<p>provided objective challenge to Management, and exercised sound judgement in Board deliberations.</p> <p>The Terms of Reference of the NC is available on the Company's website for reference.</p>	
<p>Explanation for departure</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>Timeframe</p>		

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 Remuneration Committee ("RC") and the Board are committed to ensuring that remuneration decisions remain aligned with the Company's corporate objectives and the long-term interests of shareholders. While a formal Remuneration Policy has yet to be established, the Board adopts a structured and transparent approach in determining remuneration packages for Directors and Key Senior Management.</p> <p>In recommending remuneration packages, the RC considers factors such as the individual's responsibilities, performance, experience, and the complexity of the Company's operations. The aim is to attract, retain, and motivate individuals of high calibre through competitive remuneration packages that reflect the differing roles and responsibilities of Executive and Non-Executive Directors.</p> <p>The Terms of Reference of the RC is available 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 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 Remuneration Committee has been established to assist the Board in implementing the Company's remuneration policies and procedures. The RC is responsible for the following key duties:</p> <ul style="list-style-type: none">• Developing and formulating a transparent policy for setting the remuneration of Directors and Senior Management.• Adopting a formal and transparent procedure to determine and set remuneration packages for each Director and Senior Management personnel, considering their merits and contributions.• Aligning Executive Directors' remuneration, benefits, and rewards with corporate and individual performance.• Ensuring that remuneration packages are sufficient to attract and retain the talent needed to effectively manage the Company and the Group.• Periodically reviewing remuneration packages to assess their competitiveness and attractiveness, and recommending adjustments as necessary. <p>The Terms of Reference of the RC is available 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

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 FY2024 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	57	3	-	-	-	34.8	94.8	57	3	-	-	-	34.8	94.8
2	Lim Boon Hua	Executive Director	180	180	285	140	24	79.9	888.9	180	180	285	140	24	79.9	888.9
3	Law Book Ching	Executive Director	39.9	-	155	50	-	27.9	272.8	39.9	-	155	50	-	27.9	272.8
4	Koo Won Kan	Independent Director	40.5	3	-	-	-	29	72.5	40.5	3	-	-	-	29	72.5
5	Cheong Woon Yaw	Independent Director	40.5	3	-	-	-	29	72.5	40.5	3	-	-	-	29	72.5
6	Mah Ying Ying	Independent Director	10.7	0.5	-	-	-	-	11.2	10.7	0.5	-	-	-	-	11.2
7	Dato' Magaret Ting Thien Hung (Retired on 14 June 2024)	Independent Director	17.6	1.5	-	-	-	-	19.1	17.6	1.5	-	-	-	-	19.1
8	Beh Ooi Siew (Appointed on 23 August 2024 and resigned on 13 September 2024)	Independent Director	2.1	-	-	-	-	-	2.1	2.1	-	-	-	-	-	2.1

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	:	<p>The senior management team comprises the Managing Director/Chief Executive Officer (Mr. Lim Boon Hua), Executive Director (Mr. Law Book Ching), Chief Operating Officer (Mr. Lim Chee Hsiung), and Chief Financial Officer (Mr. Wong Koon Wai).</p> <p>The Board believes that disclosing the remuneration of the top four senior management members in bands of RM50,000 will not significantly affect stakeholders' evaluation of the Group's corporate governance practices.</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	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Lim Boon Hua	Chief Executive Officer	250,001 – 300,000	150,001 – 200,000	100,001- 150,000	0 - 50,000	250,001 – 300,000	850,001 – 900,000
2	Law Book Ching	Executive Director	150,001 -200,000	0 – 50,000	50,001 – 100,000	0 - 50,000	50,001 – 100,000	250,001 – 300,000
3	Lim Chee Hsiung	Chief Operating Officer	300,001 – 350,000	0 – 50,000	50,001 – 100,000	0 - 50,000	150,001 – 200,000	550,001 – 600,000
4	Wong Koon Wai	Chief Financial Officer	150,001 – 200,000	0 – 50,000	0 – 50,000	0 - 50,000	50,001 – 100,000	250,001 – 300,000

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 roles of the Chairman of the Board and the Chairman of the Audit Committee are held by different individuals, in line with the best practices of corporate governance to ensure an appropriate balance of power and oversight.</p> <ul style="list-style-type: none"> • The Chairman of the Board is Mr. Chong Chee Fire, an Independent Non-Executive Director. • The Chairman of the Audit Committee is Mr. Cheong Woon Yaw, also an Independent Non-Executive Director. <p>This separation of roles supports the Board's objective oversight of management and enhances the effectiveness and independence of the Audit Committee.</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

There is an effective and independent Audit Committee.

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

Practice 9.2

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied	
Explanation on application of the practice	:	The Company has never appointed any former partner of its external audit firm to its Board of Directors. Nevertheless, the Terms of Reference of the Audit Committee explicitly stipulate that a cooling-off period of at least three years must be observed before a former key audit partner can be considered for appointment as a member of the Audit Committee. This policy is in place to uphold the independence and integrity of the Audit Committee in line with good corporate governance practices.	
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, through the Audit Committee ("AC"), maintains a formal and transparent relationship with the External Auditors. The AC is responsible for making recommendations to the Board on the appointment, re-appointment, removal, and remuneration of the External Auditors.</p> <p>The AC evaluates the suitability, objectivity, and independence of the External Auditors annually, taking into consideration their qualifications, the effectiveness of the audit process, the quality of service rendered, and their independence. The AC also ensures collaboration between the External and Internal Auditors to enhance the overall audit effectiveness.</p> <p>To safeguard auditor independence, the AC meets with the External Auditors at least once a year without the presence of Executive Directors and management, providing a platform for the External Auditors to raise any issues or concerns in relation to the audit.</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 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted																		
Explanation on adoption of the practice	:	<p>The Terms of Reference for the AC specify that the AC shall consist of no fewer than three (3) members, the majority of whom must be Non-Executive Directors, and the Chairman of the AC must be an Independent Non-Executive Director (INED). In practice, the Company has fully adopted this Step Up practice, with all members of the AC being Independent Non-Executive Directors. The current 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>Cheong Woon Yaw</td> <td>Chairman</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>2.</td> <td>Koo Woon Kan</td> <td>Member</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>3.</td> <td>Mah Ying Ying</td> <td>Member</td> <td>Independent Non-Executive Director</td> </tr> </tbody> </table>			No.	Name	Designation	Directorship	1.	Cheong Woon Yaw	Chairman	Independent Non-Executive Director	2.	Koo Woon Kan	Member	Independent Non-Executive Director	3.	Mah Ying Ying	Member	Independent Non-Executive Director
No.	Name	Designation	Directorship																	
1.	Cheong Woon Yaw	Chairman	Independent Non-Executive Director																	
2.	Koo Woon Kan	Member	Independent Non-Executive Director																	
3.	Mah Ying Ying	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	:	<p>All members of the Audit Committee ("AC") are financially literate and possess the necessary knowledge and experience to understand and evaluate matters under the AC's purview, including the financial reporting process. Collectively, the AC brings together a diverse range of expertise in accounting, finance, and corporate oversight.</p> <p>The Chairman of the AC, Mr. Cheong Woon Yaw, is a member of the Association of Chartered Certified Accountants (ACCA) and has extensive experience in financial reporting and corporate finance. The other members, Mr. Koo Woon Kan and Ms. Mah Ying Ying, are members of the Malaysian Institute of Accountants (MIA), with working knowledge and practical exposure in auditing and financial matters.</p> <p>All AC members remain committed to continuous learning and regularly participate in relevant professional development and training programmes to stay updated on evolving accounting standards, audit practices, and regulatory requirements.</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 has established a sound and effective risk management and internal control framework to safeguard shareholders' interests and the Group's assets. This framework enables the identification, evaluation, and management of significant risks that may affect the achievement of the Group's business objectives.</p> <p>Details of the Group's risk management and internal control framework, including its key features and processes, are disclosed in the Company's Statement on Risk Management and Internal Control in the Annual Report for the financial year ended 31 December 2024.</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 10.2

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 the key features of its risk management and internal control framework. The adequacy and effectiveness of this framework are comprehensively outlined in the Statement on Risk Management and Internal Control included in the Annual Report for FY2024.	
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 Risk Management Committee (RMC) has been established to assist the Board in fulfilling its fiduciary responsibilities regarding risk management and internal controls. The Board has defined the terms of reference for the RMC, and the composition of the RMC includes no fewer than three (3) members, with a majority of Independent Non-Executive Directors (INEDs).</p> <p>The 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>Cheong Woon Yaw</td><td>Chairman</td><td>Independent Non-Executive Director</td></tr><tr><td>2.</td><td>Koo Woon Kan</td><td>Member</td><td>Independent Non-Executive Director</td></tr><tr><td>3.</td><td>Mah Ying Ying</td><td>Member</td><td>Independent Non-Executive Director</td></tr></tbody></table>	No.	Name	Designation	Directorship	1.	Cheong Woon Yaw	Chairman	Independent Non-Executive Director	2.	Koo Woon Kan	Member	Independent Non-Executive Director	3.	Mah Ying Ying	Member	Independent Non-Executive Director
No.	Name	Designation	Directorship															
1.	Cheong Woon Yaw	Chairman	Independent Non-Executive Director															
2.	Koo Woon Kan	Member	Independent Non-Executive Director															
3.	Mah Ying Ying	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>For the financial year under review, the Group's internal audit function was carried out by an outsourced internal audit firm, Resolve IR Sdn. Bhd., to provide independent assurance to the Board regarding the effectiveness and adequacy of the Group's system of internal control.</p> <p>The scope of work is proposed by the outsourced internal audit firm, and they report directly to the Audit Committee (AC). Administratively, they report to the Chief Financial Officer (CFO) of 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

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>For the financial year under review, the internal audit function of the Company was outsourced to an external professional services firm, Resolve IR. Resolve IR is a corporate member of the Institute of Internal Auditors, Malaysia, and is resourced by over 20 personnel who possess the appropriate qualifications and experience. The outsourced internal audit function is free from any relationships or conflicts of interest that could impair its objectivity and independence. The internal audit function reports directly to the Audit Committee, and its work is guided by the International Professional Practices Framework on Internal Auditing issued by the Institute of Internal Auditors.</p> <p>The team from Resolve IR is led by the CEO, Mr. Choo Seng Choon, who is also appointed as the Chief Audit Executive of the Company. Mr. Choo is a Certified Internal Auditor and Chartered Member of the Institute of Internal Auditors (IIA). He is also a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom, and a Chartered Accountant of the Malaysian Institute of Accountants.</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	:		
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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 acknowledges the importance of maintaining robust corporate disclosure procedures to ensure that shareholders and investors receive comprehensive, accurate, and timely information.</p> <p>The Company has implemented the following initiatives to facilitate effective communication with its shareholders:</p> <p>(a) Annual Report – This report includes key information such as the Management Discussion and Analysis, financial statements, and details on the Audit Committee (AC), Corporate Governance, Sustainability, Corporate Social Responsibility, and Risk Management and Internal Control.</p> <p>(b) Announcements to Bursa Securities – The Company makes various announcements to Bursa Securities, including the timely release of quarterly financial results. In parallel, all announcements are posted on the Company's website.</p> <p>(c) Shareholder and Investor Engagement – The Company promptly attends to emails and phone inquiries from shareholders and investors.</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	:	The Notice of the Annual General Meeting ("AGM") for the financial year ended 31 December 2023, scheduled for 14 June 2024, was issued on 30 April 2024, which is 28 days prior to the AGM date.	
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	:	Applied	
Explanation on application of the practice	:	<p>All Directors attend General Meetings and respond to any relevant questions addressed to them, unless unforeseen circumstances prevent their attendance.</p> <p>At the previous AGM, all Directors attended in person and personally addressed questions or issues raised by shareholders. Additionally, Senior Management and the External Auditors were present to address any queries from shareholders.</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 13.3

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>The Third AGM of the Company was held at Four Points by Sheraton Puchong, Putera 1 & 2 (Function Room), Level 1, Puchong Financial Centre (PFCC), Jalan Puteri 1/2, Bandar Puteri, 47100 Puchong, Selangor Darul Ehsan, on 14 June 2024. This venue is easily accessible and familiar to most shareholders of the Company. Management ensures that the AGM is convened at a venue that is easily accessible to shareholders.</p> <p>The Board has opted for a physical platform for better engagement with shareholders, as it allows for more effective two-way communication at the general meeting.</p> <p>Adequate notice of the meeting was given to all shareholders, and those unable to attend were allowed to appoint a proxy to attend, participate, speak, and vote at the AGM on their behalf.</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 AGM serves as a platform to facilitate interaction between the Board, Senior Management, and shareholders of the Company. The Board ensures that both shareholders and proxy holders are given the opportunity to actively participate in the AGM.</p> <p>A dedicated question-and-answer session is held during the AGM, providing shareholders with sufficient opportunity to raise questions on the company’s financial performance, future outlook, strategies, and resolutions tabled at the AGM. Adequate time is allocated for Board members to address all questions raised by shareholders and proxy holders during the 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

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 Third Annual General Meeting, held on 14 June 2024, were uploaded to the Company's website within 30 business days following the AGM.
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.

No.
