

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0280
COMPANY NAME : MYMBN BERHAD
FINANCIAL YEAR : December 31, 2023

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 MYMBN Berhad (“MYMBN” or “the Company”) has overall responsibility over the Company and its subsidiary companies (“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 of MYMBN play a vital role in implementing the strategies and policies as well as monitoring the Company's operations to ensure that it is conducted prudently with the framework of laws and policies. The Board main roles and responsibilities are clearly defined in the Board Charter which is available on the Company's website at www.mymbn.com.my</p> <p>The Board has established and delegated certain responsibilities to three (3) Committees, namely Nomination Committee (“NC”), Remuneration Committee (“RC”) and Audit and Risk Management Committee (“ARMC”). The Board Committees are guided by their respective Terms of References (“TOR”), which are made available on the Company's website at www.mymbn.com.my. The Board Committees report to the Board on matters deliberated and their recommendations thereon.</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. During the financial year, the Board has established and approved the following policies: -</p> <ol style="list-style-type: none"> a) Code of Conduct Policy; b) Anti-Bribery and Anti-Corruption Policy; c) Fit and Proper Policy; and d) Whistle-Blowing Policy and Procedures.

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 1.2

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 a Non-Independent Non-Executive Chairman, Mr. Liw Chong Liong (“Mr. Liw”), appointed to the Board on 1 July 2022. Mr. Liw’s profile is set out in the Directors’ Profile of the Annual Report 2023.</p> <p>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>The Chairman will act independently in the best interest of the Group and lead the Board and represents the Board to the shareholders and other shareholders.</p> <p>The details roles and responsibilities of the Chairman are clearly set out in the Board Charter which is made available on the Company’s website at www.mymbn.com.my</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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 Chief Executive Officer (“CEO”) are held by different individuals. A clear distinction of roles and responsibilities between Board Chairman and CEO has been established and provided in Board Charter to ensure there is a balance of power and authority, no one individual has unfettered decision-making powers.</p> <p>The Chairman of the Company is Mr. Liw Chong Liong 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 CEO is Mr. Lavernt Chen Vun Wo 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 :	<p>The Chairman of the Company, Mr. Liw Chong Liong is not a member of the Board Committees. However, the Chairman was invited to participate in the Board Committees' Meeting to provide valuable insights on matters discussed in the Meetings.</p> <p>Notwithstanding his attendance at the Board Committees' Meeting, he is not involved in the decision-making on any proposals and matters tabled for approval at these Board Committees.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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 supported by three (3) external competent Company Secretaries. The Company Secretaries are members of the Malaysian Institute of Chartered Secretaries and Administrators (“MAICSA”) and qualified under Section 235(2) of the Companies Act 2016 (“CA 2016”).</p> <p>The Company Secretaries work closely with the Board and Board Committees and play an important role in implementation of corporate governance by advising the Board and its Committees in compliance with the Ace Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the CA 2016 and other relevant laws and regulations.</p> <p>The Company Secretaries ensure that deliberations at Board and Board Committees’ Meetings are well documented, and subsequently communicated to Management for appropriate actions.</p> <p>The roles and responsibilities of the Company Secretaries are set out in the Board Charter, which is accessible on the Company’s website at www.mymbn.com.my</p> <p>The Company Secretaries keep themselves abreast of relevant corporate governance and regulatory requirements by undertaking continuous professional development.</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>The Board have full and unrestricted access to all information within the Group. The notices of meetings are served at least seven (7) days prior to the Meetings. Relevant board papers were circulated to all Directors within a reasonable period prior to the Meeting to ensure that the Directors have sufficient time to evaluate and review the proposals for a better discussion at the Meetings.</p> <p>The dates of Meetings for the following financial year are set a year in advance so that the Directors can plan their schedules and maximise their attendance.</p> <p>The Minutes of Meetings are tabled for confirmation as a correct record of the proceedings at the subsequent Meetings and signed by the Chairman. Any outstanding matters arising were also tracked and reviewed by the Board at the next 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 was adopted by the Board on 19 August 2022 in preparation for the listing of the Company. The Company was listed on the ACE Market of Bursa Securities on 25 July 2023.</p> <p>The Board Charter, which is available on the Company's website at www.mymbn.com.my serves as a primary reference point on governance matter as well as a guideline for the roles and responsibilities of the Directors and the Board Committees.</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 CEO; • Functions of board committees; • Board governance process and procedures; and • Stakeholders' relationship. <p>The Board Charter will be periodically reviewed by the Board and updated in accordance with the needs of the Group and any new regulations that may have an impact on the discharge of the Board's responsibilities.</p>
Explanation for departure	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 Board had on 19 August 2022 adopted the Code of Conduct (“the Code”) that is applicable for all Directors, Officers and Employees of the Group.</p> <p>The Code set out the core values of the Group has been established and 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.</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-Bribery and Anti-Corruption Policy 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 Whistle-Blowing Policy and Procedures 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> <p>The Code, Anti-Bribery and Anti-Corruption Policy and Whistle-Blowing Policy and Procedure are available on the Company's website at www.mymbn.com.my</p>
Explanation for departure	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.2

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 Whistle-Blowing Policy and Procedures 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 Whistle-Blowing Policy and Procedures is applicable to all stakeholders (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>The Whistle-Blowing report can made through the following persons: -</p> <p>Ms. Wang Heong Ying Designated Compliance Officer Email: heongying.wang@mymbn.com.my</p> <p>Ms. Chin Pek Li Audit Committee Chairperson Email: sara.chin@mymbn.com.my</p> <p>Dato' Dr. Rosini Binti Alias Audit Committee Member Email: rosini.alias@mymbn.com.my</p> <p>Dato' Nazipah Binti Jamaludin Audit Committee Member Email: nazipah.jamaludin@mymbn.com.my</p> <p>There was no reported incidents pertaining to Whistle-Blowing during the financial year.</p> <p>Detailed procedures on the reporting of improper conduct have been set out in the Whistle-Blowing Policy and Procedures that has been published on the Company's website at www.mymbn.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	:	<p>The Board acknowledged the importance of incorporating sustainability considering into the Company's business and corporate activities.</p> <p>The Board and the Management holds the responsibility for overseeing sustainability within the Company, including settling the Company's sustainability strategies, priorities and targets.</p> <p>The Board ensure that sustainability considerations are integrated into various aspects of decision-making and governance processes.</p> <p>Sustainability related activities undertaken and targets set out by the Company has been disclosed in the Sustainability Statement of the Company's Annual Report 2023.</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 4.2

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 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 environment issues and abide by all environmental impact laws and regulations in the course of its projects. 3. Social Responsibility – The Board supports charitable causes and initiatives on community development projects. <p>Both the internal and external stakeholders are communicated on the Company's sustainability strategies and performance through the sustainability statement in the Annual Report 2023.</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	:	<p>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 2023.</p> <p>The Board are committed to abreast with and understand the sustainability issues relevant to the Company and its business and will attend the necessary training courses as and when deemed appropriate to equip themselves and enhancing their Environmental, Social and Governance competency in order to provide guidance on the sustainability related matters.</p> <p>The training programmes attended by each Director in FYE2023 are set out in the Corporate Governance Overview Statement of Annual Report 2023.</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 4.4

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 the Company was listed on the ACE Market of Bursa Securities on 25 July 2023, the performance evaluation of the Board and Senior Management in respect of addressing the Company's material sustainability risks and opportunities has yet to be conducted for FYE 2023.	
		The Board will include this indicator as one of the criteria in the annual performance evaluation exercise.	
<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 Board and NC are always mindful to ensure that the Board requires the right composition of individuals with an appropriate mix of skills, knowledge, experience and independency in order to achieve the Company's strategic goals.</p> <p>The Company has policy stated in its Board Charter whereby every newly appointed Director shall be subjected to re-election at the Company's next Annual General Meeting ("AGM") subsequent to their appointment. Furthermore, all Directors shall submit themselves for re-election once at least every three (3) years to ensure the Board is refreshed periodically and re-election is granted upon satisfactory evaluation of the Director's performance and contribution to the Board.</p> <p>The tenure of an Independent Director is limited to nine (9) years and he/she may continue to serve on Board subject to redesignation as Non-Independent Director. An Independent Director may be retained as an Independent Director after serving for a cumulative period of more than nine (9) years, subject to assessment and recommendation of the Nomination Committee and the Board recommends with strong justification for shareholders' approval at the AGM via a two-tier voting process.</p> <p>The Board will conduct the board evaluation assessment in 2024 and the relevant disclosure will be made in the next Annual Report for FYE 2024.</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 :		
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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 Board consists of eight (8) members presently, comprising one (1) Non-Independent Non-Executive Chairman, one (1) Non-Independent Non-Executive Director, four (4) Independent Non-Executive Directors (“INED”) and two (2) Executive Directors.</p> <p>The Board composition compiles with the recommendation of the Malaysian Code on Corporate Governance (“MCCG”) of which at least 50% of the Board is Independent Directors.</p> <p>The Board believes that the current size of composition reflects an appropriate balance of Independent, and Executive Directors which is adequate for the scope and nature of the Group’s business and operations.</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 5.3

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>As stated in the Board Charter, the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. However, there is no Independent Director serving beyond the nine (9) years period.</p> <p>Upon completion of nine (9) years, an Independent Director may continue to serve on the Board subject to the director's re-designation as a Non-Independent Director. Otherwise, the Board must justify and seek shareholders' approval through a two-tier voting process at the Company's AGM in the event it would like to retain the director as an Independent Director.</p> <p>At present, none of the Independent Directors in the Company has served for nine (9) years.</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.

<i>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.</i>	
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 consists of Directors from diverse background and specialisation, collectively bring with them a wide range of experience and expertise in areas such as financial and accounting, legal practice, business administration which 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 and duties of NC are clearly stated in the TOR of NC and is available on the Company's website at www.mymbn.com.my</p> <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 Chairman before being accepted. The notification should include an indication of time that will be spent on the new appointment.</p> <p>On 19 August 2022, the Board adopted the Fit and Proper Policy, which will enhance the governance of the Company in relation to the Board's quality and integrity, as well as ensure that each Director has the character, experience, integrity, competence, time and commitment to effectively discharge his role as a Director.</p> <p>The prescribed criteria for the appointment and re-election of Directors are stipulated in the Company's Fit and Proper Policy which are available on the Company's website at www.mymbn.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

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>The NC was established and all the Directors were appointed before the listing of the Group on the ACE Market of Bursa Securities on 25 July 2023. As such, the NC had not gone through the procedures on identifying and the selection of candidates for appointment of Directors since its establishment.</p> <p>The appointment of INEDs on 7 July 2022 were through the independent sources. The solicitors in relation to the Company's Initial Public Offering exercise had conducted an in-dept assessment and due diligence such as interview session, solvency and company searches prior to their appointment as INEDs of the Company.</p> <p>The Board is mindful of this practice and would consider referrals from external sources to identify suitably qualified candidates when the needs arises in the future and will not solely rely on recommendations from existing Board members or major 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

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

Practice 5.7

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board ensures that shareholders are kept informed on any changes in the composition of the Board and Board Committees via announcements on Bursa Link within the prescribed timeline under the AMLR of Bursa Securities.</p> <p>The information on the re-election of the retiring directors as well as the Board's statement on the re-election of the Directors are set out in the Explanatory Notes to the Notice of the Second AGM for shareholders to make an informed decision on the re-election of the retiring directors.</p> <p>The profile of the Directors who are due for retirement and eligible for re-election are set out in the Company's Annual Report 2023.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Nomination Committee is chaired by Dato' Dr. Rosini Binti Alias, an Independent Non-Executive Director of the Company.</p> <p>The profile of Dato' Dr. Rosini Binti Alias is available in the Director's Profile of the Company's Annual Report 2023.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied
Explanation on application of the practice	:	Although the Company has yet to adopt a gender diversity policy, the Board is already advocating gender diversity by having five (5) female directors, representing 62.5% 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	:	Please provide an explanation for the departure.
	:	Please provide an alternative practice and explain how the alternative practice meets the intended outcome.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board believes the Company's existing processes have served the purpose of a formal policy on diversity and at the same time ensuring that all Directors are appointed on merit.	
		The Board acknowledges the importance of boardroom diversity and the recommendation of the MCCG pertaining to the establishment of a gender diversity policy.	
		The Board would consider adopting a gender diversity policy for the Board in the future.	
<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 :	Please provide an explanation on how the practice is being applied.
Explanation for departure :	The Company was only listed on the ACE Market of Bursa Securities on 25 July 2023, hence, the NC has not conducted any board evaluation assessment in the FYE 2023.
	The Board recognizes the significance of board evaluation and performance pertaining to board effectiveness. The Board is committed to ensure that the board assessment an evaluation forms are circulated to all Board members and NC members prior to the NC Meeting for the FYE 2024.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The RC was established to assist the Board in developing remuneration policies and procedures of the Directors and Key Senior Management ("KSM").</p> <p>In determining the remuneration packages of Directors and KSM, the RC takes into consideration the following: -</p> <ul style="list-style-type: none"> a) Technical competency, skills, expertise and experience; b) Qualification and professionalism; c) Integrity; d) Roles and responsibilities; e) Company's performance in managing material sustainability risks and opportunities; and f) Aligned with the business and risk strategies, and long-term objectives of the Group. <p>A fair, reasonable and competitive remuneration package was provided to the EDs and KSM to ensure that the Company attract and retains high calibre EDs and KSM who have the skills, experience and knowledge to increase entity value to the benefit of all shareholders.</p> <p>The fees and any benefits payable to the INEDs shall be subject to annual shareholder approval at the general meeting of the Company.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

The 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, comprises exclusively Independent Non-Executive Directors was established 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"> a) To review and make recommendations to the Board of Directors of our Company on the remuneration policies and packages of the Executive Directors, Chief Executive Officer and senior management of our Group; b) To review and make recommendations to the Board of Directors of our Company on Director's fees and other remuneration of the non-executive directors and independent directors linking the level of remuneration to their level of responsibilities and contribution to the Group; and c) To review policy governing the remuneration of Directors as well as policies governing remuneration and promotion of KSM of our Group annually. <p>RC was governed by its TOR, which is available on the Company's website at www.mymbn.com.my</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

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 FYE 2023 are disclosed on the 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	Mr. Liw Chong Liong	Non-Independent Non-Executive Chairman	54	2	-	-	-	56	54	2	-	-	-	56
2	Mr. Lavernt Chen Yun Wo	Non-Independent Executive Director / Chief Executive Officer	24	2	-	-	-	26	24	2	301	-	37	364
3	Ms. Chin Chee Cheah	Non-Independent Executive Director / Chief Operating Officer	24	2	-	-	-	26	24	3	125	-	13	165
4	Mr. Lee Wei Kong	Independent Non-Executive Director	42	2	-	-	-	44	42	2	-	-	-	44
5	Dato' Dr. Rosini Binti Alias	Independent Non-Executive Director	30	2	-	-	-	32	30	2	-	-	-	32
6	Dato' Nazipah Binti Jamaludin	Independent Non-Executive Director	24	2	-	-	-	26	24	2	-	-	-	26
7	Ms. Chin Peck Li	Independent Non-Executive Director	30	2	-	-	-	32	30	2	-	-	-	32
8	Ms. Goh Wen Ling	Independent Non-Executive Director	30	2	-	-	-	32	30	2	-	-	-	32

Intended Outcome

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

Practice 8.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The details of Senior Management's remuneration are disclosed in bands width of RM50,000 on position basis, as the Board considers the information of the said remuneration to be sensitive and proprietary in view of the competitive nature of the human resource market and to support the Company's efforts in retaining executive talents. The Board is of the view that the transparency and accountability aspects of corporate governance as applicable to Senior Management's remuneration are appropriately served by the disclosures on an aggregate basis.	
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

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

Intended Outcome

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

Practice 8.3 - Step Up

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Chairperson of the ARMC is not the Chairman of the Board: -</p> <ul style="list-style-type: none"> • The Chairman of the Board is Mr Liw Chong Liong, a Non-Independent Non-Executive Chairman; and • The ARMC Chairperson is Ms. Chin Peck Li, an Independent Non-Executive Director. <p>The Chairperson of the ARMC is distinct from the Chairman of the Board to ensure overall effectiveness and independence of the ARMC.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>Presently, none of the ARMC members was a former key audit partner of the Company's auditors.</p> <p>In line with the MCCG 2021, the Board has adopted the TOR outlined that a former key audit partner is required to observe a cooling-off period of at least three (3) years if any former key audit partner is considered as candidate for ARMC in the future.</p> <p>The TOR for ARMC is available on the Company's website at www.mymbn.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

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 its ARMC maintains a formal and transparent relationship with its External Auditors. The Board had delegated the responsibility to the ARMC for making recommendations on the appointment, re-appointment or removal of the External Auditors as well as on their remunerations.</p> <p>The ARMC has received assurance from External Auditors confirming that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.</p> <p>The Board upon the recommendation of the ARMC, was satisfied with the sustainability and independence of the External Auditors and had recommended to the shareholders for approval at the forthcoming AGM.</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 TOR of the ARMC states that the membership of ARMC shall comprise at least three (3) members, consisting wholly Non-Executive Directors. The Chairperson of the ARMC shall be an Independent Non-Executive Directors.</p> <p>Composition of the ARMC 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>Chin Peck Li</td> <td>Chairperson</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>2</td> <td>Dato' Dr. Rosini Binti Alias</td> <td>Member</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>3</td> <td>Dato' Nazipah Binti Jamaludin</td> <td>Member</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>4</td> <td>Goh Wen Ling</td> <td>Member</td> <td>Independent Non-Executive Director</td> </tr> </tbody> </table>			No.	Name	Designation	Directorship	1	Chin Peck Li	Chairperson	Independent Non-Executive Director	2	Dato' Dr. Rosini Binti Alias	Member	Independent Non-Executive Director	3	Dato' Nazipah Binti Jamaludin	Member	Independent Non-Executive Director	4	Goh Wen Ling	Member	Independent Non-Executive Director
No.	Name	Designation	Directorship																					
1	Chin Peck Li	Chairperson	Independent Non-Executive Director																					
2	Dato' Dr. Rosini Binti Alias	Member	Independent Non-Executive Director																					
3	Dato' Nazipah Binti Jamaludin	Member	Independent Non-Executive Director																					
4	Goh Wen Ling	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>The Company complies with Rule 15.09(1)(c) of the AMLR of Bursa Securities, where all members of the ARMC are financially literate and are able to analyse and interpret financial statements in order to effectively discharge their duties and responsibilities. The Chairperson of the ARMC, Ms. Chin Peck Li is a Chartered Accountant by the Malaysian Institute of Accountants ("MIA") and is a fellow membership of Certified Practising Accountant, Australia ("CPA Australia") with extensive experience in financial reporting. The qualification and experience of the respective ARMC members are disclosed in the Board of Directors' Profile of the Company's Annual Report 2023.</p> <p>The ARMC assists the Board in reviewing the Group's financial reporting process and accuracy of its financial results and scrutinising information for disclosure to ensure reliability and compliance with the applicable financial reporting standards.</p> <p>All members of the ARMC undertake and will continue to undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules as and when required to enable them to effectively discharge their duties.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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 2023.	
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, which covers their adequacy and effectiveness are disclosed under the Statement on Risk Management and Internal Control in the Annual Report 2023.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	<p>The Board did not establish a separate Risk Management Committee. Instead, it was combined with the AC and named as ARMC.</p> <p>The ARMC, which comprises solely the INEDs oversees the effectiveness and adequacy of the Group's risk management framework and policies.</p>

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>In preparation of the Company's initial public offering, the Company undergo extensive due diligence process with its principal advisor, reporting accountant and legal counsel to ensure the Company's readiness in becoming a public listed company.</p> <p>In this regard, the Company engage an independent consulting firm, namely NeedsBridge Advisory Sdn Bhd as its internal control reviewer to review the adequacy and sufficiency of systems, procedures and control of the Company.</p> <p>The NeedsBridge Advisory Sdn Bhd was invited to present their review on the corporate governance, internal control and risk management systems of the Group and audit findings in the Board Meeting held on 26 February 2024. The Management has taken steps to address the findings highlighted by Internal Auditors for improvement.</p> <p>The details of the internal audit function are stated in the Statement of Risk Management and Internal Control of the Company's Annual Report 2023.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Group's internal audit function is carried out by an outsourced internal audit firm, NeedsBridge Advisory Sdn. Bhd., which is independent of the activities it audits.</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 2024 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 Audit and Risk Management Committee.</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>The Company has in place the following initiatives to facilitate effective communication with its shareholders:</p> <ul style="list-style-type: none"> (a) The Company's corporate website www.mymbn.com.my is accessible to the public and serves as another platform to communicate with the shareholders, investors and the general public; (b) the Annual Report, which contains information such as Management Discussion and Analysis, financial statements, and information on the ARMC, Corporate Governance, Sustainability and Statement of Risk Management and Internal Control; (c) various announcements made to Bursa Securities, which include timely release of financial results on a quarterly basis. Concurrent with these releases, the Company posts all announcements on its website; (d) The Board recognises the importance of AGM which serves as the principal forum for dialogue and interaction between the Board and shareholders; and (e) attending to shareholders' and investors' emails and phone enquiries.
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	:	The Company is not considered a Large Company as its market capitalisation is less than RM2 billion at the present moment.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>Upon being listed on 25 July 2023, the Company will have its Second AGM on 29 May 2024.</p> <p>Given the significance of AGM, notice of the Second AGM will be issued to the shareholders on 29 April 2024, i.e. at least 28 days prior to the Second AGM, to accord them with sufficient time to consider the resolutions that will be discussed and decided at the Second AGM.</p> <p>The notice provides further explanation beyond the minimum content stipulated in the AMLR of Bursa Securities for the resolutions proposed to enable the shareholders to make an informed decision in exercising their voting rights.</p> <p>Furthermore, each item of special business included in the notice of meeting will be accompanied by a detailed explanation on the details and effects of the resolutions proposed along with any background information and reports or recommendations that are relevant.</p> <p>The extended notice period with detailed information in the notice and accompanying material will also encourage greater shareholder participation at the Second AGM.</p>
Explanation for departure	:	Please provide an explanation on how the practice is being applied.
<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>The Board acknowledges its role and responsibilities as steward of the Company to continuously engage and provide constructive feedback to all shareholders' queries.</p> <p>All Directors will present at the Second AGM of the Company, which will enable the Board to communicate with shareholders in a more holistic manner.</p> <p>The Chairperson of the ARMC, RC and NC will present at the Second AGM to provide meaningful explanation or responses if there are any questions addressed to them.</p>	
Explanation for departure	:	Please provide an explanation on how the practice is being applied.	
<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	:	Please provide an explanation on how the practice is being applied.
Explanation for departure	:	<p>The Second AGM of the Company will be held physically at DoubleTree by Hilton Melaka, Level 13, Ballroom B, Hatten City, Jalan Melaka Raya 23, 75000 Melaka.</p> <p>Shareholders who are unable to attend the Second AGM may appoint any persons as their proxies to attend, speak and vote on their behalf at the forthcoming AGM in accordance with the Company's Constitution.</p> <p>The Company will consider leveraging technology to facilitate voting including voting in abstention and remote shareholders' participation at general meeting in the future.</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	: The Chairman of the Board will ensure that the upcoming Second AGM supports meaningful engagement between the Board, KSM and shareholders. The Chairman ensured that shareholders will be given the opportunity to pose questions regarding the resolutions being proposed before voting as well as matters relating to the Group's operations. The Chairman will further ensure that sufficient time is allocated to address questions received from shareholders.
Explanation for departure	: Please provide an explanation on how the practice is being applied.
<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 :	Departure
Explanation on application of the practice :	
Explanation for departure :	The Second AGM of the Company to be held at DoubleTree by Hilton Melaka , Level 13, Ballroom B, Hatten City, Jalan Melaka Raya 23, 75000 Melaka.
<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	: Please provide an explanation on how the practice is being applied.
Explanation for departure	: The draft minutes of the Second AGM will be circulated to the Board Members for comments and concurrence and thereafter, will be made available on the Company's website not later than thirty (30) business days after the AGM.
<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.
