CORPORATE GOVERNANCE REPORT

STOCK CODE	**:**	5336
COMPANY NAME	**:**	CUCKOO INTERNATIONAL (MAL) BERHAD
FINANCIAL YEAR	**:**	December 31, 2025

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE
Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA
Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Intended Outcome

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

Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	:	Applied
Explanation on application of the practice	:	The Board of Directors of CUCKOO International (MAL) Berhad ("**CKI**" or "**the Company**") assumes overall responsibility for the leadership, governance and strategic direction of the Group, with the objective of delivering sustainable value to shareholders while safeguarding the interests of stakeholders. In discharging its fiduciary and stewardship responsibilities, the Board is guided by a formal Board Charter, which clearly delineates its roles, responsibilities and matters reserved for its deliberation and approval. The Board is collectively responsible for setting the Group's strategic direction, approving key business plans, monitoring the Group's operational and financial performance and ensuring the adequacy and effectiveness of the Group's risk management and internal control systems. The Board also establishes the Group's values and standards, promoting a culture of integrity, ethical conduct and accountability across the organisation, while ensuring that the Group's obligations to shareholders and other stakeholders are understood and fulfilled. To enhance operational efficiency and effectiveness, the Board delegates the day-to-day management of the Group's business to the Chief Executive Officer and Key Senior Management, while maintaining effective oversight of management's performance and key business decisions. The Board is supported by two Board Committees, namely the Audit and Risk Management Committee ("**ARMC**") and the Nomination and Remuneration Committee ("**NRC**"), which operate within clearly defined Terms of Reference ("**TOR**") and provide recommendations to support informed decision-making. The Board ensures that adequate resources, systems and capabilities are in place to support the effective execution of the Group's strategies and the achievement of its long-term objectives. Regular Board and

	Board Committee meetings are held throughout the financial year to facilitate effective deliberation, continuous monitoring and timely decision-making. The appointment of Directors is governed by the Company's Fit and Proper Policy, which ensures that members of the Board possess the integrity, competence, experience and leadership qualities required to discharge their duties effectively. The Board Charter and TOR of the Board Committees are available on the Company website at www.cuckoo.com.my/corporate-governance.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

Practice 1.2
A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application :	Applied	
Explanation on application of the practice :	The Board is led by an effective Chairman, Mr. Koo Bon Hak, who provides strong leadership to the Board and plays a pivotal role in promoting high standards of corporate governance, as well as ensuring the effectiveness and orderly conduct of the Board. In discharging his responsibilities, the Chairman promotes a culture of openness, mutual respect and constructive debate, encouraging active participation and meaningful engagement from all Directors during Board deliberations. He ensures that diverse perspectives, including independent and dissenting views, are appropriately expressed and considered, thereby facilitating balanced and informed decision-making. He oversees the setting of the Board agenda to ensure that key strategic, operational and governance matters are prioritised. He also ensures that Board papers are comprehensive, relevant and circulated in a timely basis to facilitate informed deliberations. The Chairman presides over Board meetings and ensures that proceedings are conducted efficiently, with adequate time allocated for meaningful deliberation of each agenda item. He also promotes effective communication between the Board and Management, ensuring that Board decisions are clearly communicated and duly implemented. The Chairman also facilitates effective communication between the Board and shareholders at general meetings.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
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	:	The positions of Chairman and Chief Executive Officer ("**CEO**") of the Company are held by separate individuals, namely Mr. Koo Bon Hak as Chairman and Mr. Hoe Kian Choon as Non-Independent Executive Director and CEO. This clear division of roles ensures an appropriate balance of power and authority within the Board. The respective roles and responsibilities of the Chairman and CEO are clearly defined in the Board Charter. The Chairman provides leadership to the Board and oversees its effectiveness in discharging its governance and oversight responsibilities, while the Non-Independent Executive Director and CEO is responsible for the day-to-day management of the Group and the implementation of strategies and policies approved by the Board. The distinct and complementary roles of the Chairman and the Non-Independent Executive Director and CEO further support effective checks and balances within the leadership structure of the Company. This segregation of roles reinforces accountability and prevents any concentration of authority, thereby promoting effective oversight and sound corporate governance within the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.			
Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Board does not serve as a member of any of the Board Committees (i.e. ARMC and NRC). During the financial year, the Chairman did not attend or participate in any meetings of the Board Committees, whether by invitation or otherwise. This ensures that the deliberations of the Board Committees remain independent and objective, and preserves an appropriate level of checks and balances between the Board and its Committees. This practice further reinforces the Board's governance structure by ensuring clear separation between oversight and executive functions within the Board.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:	Choose an item.	

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

Practice 1.5
The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

Application	:	Applied
Explanation on application of the practice	:	The Company is supported by two external Company Secretaries, both of whom are qualified to act as company secretaries under Section 235(2) of the Companies Act 2016. The Company Secretaries attended all Board and Board Committee meetings and play a key role in ensuring that meetings are properly convened and conducted in accordance with established procedures and applicable regulatory requirements. They are also responsible for maintaining accurate and complete records of the proceedings and resolutions of meetings. The Company Secretaries provide sound governance advice to the Board, including guidance on the Directors' fiduciary and statutory duties, as well as compliance with the Company's Constitution, Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), the Malaysian Code on Corporate Governance ("**MCCG**") and other applicable laws and regulations. They also keep the Board apprised of relevant regulatory developments and evolving governance best practices. In addition, the Company Secretaries facilitate effective communication between the Board and Key Senior Management to monitor the implementation of Board decisions. To ensure they remain abreast with regulatory and governance developments, the Company Secretaries undertake continuous professional development through relevant training programmes and seminars. All Directors have unrestricted access to the advice and services of the Company Secretaries in discharging their duties. Further details on the roles and responsibilities of the Company Secretaries are outlined in the Board Charter, which is available on the Company's website at www.cuckoo.com.my/board-charter.
Explanation for departure	:	

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

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

Practice 1.6
Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">To facilitate effective and efficient Board deliberations, notices of meetings and Board papers are circulated at least five working (5) days prior to each meeting. The meeting agenda is structured to prioritise key matters, and comprehensive and relevant information is provided to enable Directors to make informed decisions and participate in meaningful discussions.

In line with the Company's commitment towards a paperless environment, meeting materials are circulated electronically via a secure digital platform, enabling Directors to access information remotely in a timely and convenient manner.

Upon conclusion of each meeting, the minutes are prepared by the Company Secretaries to accurately record the key deliberations, decisions and action items. The draft minutes are circulated to the Board in a timely manner for review, and any comments or revisions are incorporated prior to confirmation at the subsequent meeting.

For matters requiring urgent attention between scheduled meetings, decisions are obtained via circular resolutions, which are subsequently tabled to the Board for notation. Directors may request additional information or clarification from Management or the Company Secretaries, where necessary, to support their deliberations.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

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	:	The Board has formalised and adopted a Board Charter, which serves as a primary reference document outlining the Company's governance framework and guiding the Board in the discharge of its fiduciary and stewardship responsibilities. The Board Charter clearly delineates the respective roles and responsibilities of the Board, Board Committees, individual Directors and Management, thereby promoting accountability and ensuring a clear division of duties. It also sets out matters reserved for the Board's deliberation and approval, including strategic direction, business plans and significant corporate actions. In addition, the Board Charter covers, among others, the composition and balance of the Board, the separation of roles between the Chairman and the CEO, Directors' access to information, continuous professional development, ethical conduct and conflict of interest management, as well as the Board's oversight of risk management, internal control and sustainability matters. The Board Charter is subject to periodic review to ensure that it remains relevant and aligned with applicable laws, regulatory requirements and best practices in corporate governance. In line with the principles of transparency and good governance, the Board Charter is available on https://www.cuckoo.com.my/board-charter for access by shareholders and other stakeholders.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

Application	:	Applied
Explanation on application of the practice	:	The Company has established a Code of Conduct and Ethics ("**Code**"), which sets out the standards of integrity, ethical behaviour and professional conduct expected of Directors and employees across the Group. The Code is supported by a framework of internal policies and procedures, including the Anti-Bribery and Corruption Policy, Whistleblowing Policy, and other relevant governance and compliance policies, which collectively reinforce the Group's commitment to ethical business practices and regulatory compliance. The Code addresses, among others, the management of conflicts of interest, prohibition of bribery and corruption, prevention of money laundering, safeguarding of company assets, protection of confidential information, and compliance with applicable laws and regulations. It also promotes a respectful and safe working environment, with zero tolerance for harassment and misconduct. The Board adopts a zero-tolerance approach towards unethical conduct and, together with Management, ensures that appropriate policies, procedures and internal controls are in place and effectively implemented to support compliance with the Code and its underlying policies. The Code and relevant policies are accessible on the Company's website.
Explanation for departure	:	

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

Intended Outcome

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

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

Practice 3.2

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

Application :	Applied
Explanation on application of the practice :	The Company has established a Whistleblowing Policy and procedures, which provide a formal, confidential, secure and accessible channel for Directors, employees and external parties to report any actual or suspected misconduct or improper conduct. The Policy applies to a wide range of stakeholders, including employees, vendors, contractors and business partners, and covers disclosures relating to misconduct such as fraud, bribery and corruption, breaches of laws and policies, conflicts of interest, harassment, and any conduct that may be unethical or detrimental to the Group. Reports may be submitted through designated reporting channels, including a dedicated email and online reporting platform, and are directed to the Internal Audit function for impartial assessment and investigation. CKI ensures that all disclosures are treated with strict confidentiality and that whistleblowers who report in good faith are protected against any form of retaliation or victimisation, in line with the provisions set out in the Policy. The Company is committed to taking appropriate and timely actions, including disciplinary measures, where misconduct is substantiated. The Board, together with Management, oversees the implementation and periodic review of the Whistleblowing Policy and ensures that concerns raised are properly addressed in a fair, transparent and timely manner.
Explanation for departure :	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.	
Measure :	

Timeframe :		

Intended Outcome

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

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied	
Explanation on application of the practice	:	The Board assumes overall responsibility for the governance of sustainability and ensures that sustainability considerations are integrated into the Group's strategic direction, business plans, key initiatives and risk management framework, in line with its commitment to responsible business conduct and long-term value creation. The Group's sustainability approach is aligned with its vision as a "Healthy Home Creator", with a focus on enhancing customers well-being, promoting environmentally responsible products and solutions, and contributing positively to the communities in which it operates. This includes initiatives to encourage sustainable consumption, such as reducing reliance on single-use plastics, as well as embedding strong ethical standards and governance practices across its operations. Further details of the Group's sustainability initiatives and performance are disclosed in the Sustainability Statement of the Annual Report.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.2

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied
Explanation on application of the practice	:	The Board ensures that the Group's sustainability strategies, priorities, targets and performance are communicated in a clear and transparent manner to both internal and external stakeholders. Following the Company's listing on the Main Market of Bursa Securities in June 2025, the Group will communicate its sustainability approach, key initiatives and performance through the Sustainability Statement in the Annual Report, as well as the Company's corporate website. These disclosures include information on sustainability governance, key focus areas, initiatives and performance indicators, enabling stakeholders to assess the Group's progress in achieving its sustainability objectives. Relevant governance and sustainability-related policies, such as the Code of Conduct and Ethics, Anti-Bribery and Corruption Policy and Whistleblowing Policy, are also made available to reinforce transparency, accountability and ethical business practices. Internally, the Group promotes awareness of sustainability and ethical practices through the implementation of these policies, supported by ongoing engagement with employees via regular management and staff meetings, internal communications and corporate initiatives. Externally, the Group engages with a broad range of stakeholders, including customers, investors, regulators, suppliers and the wider community, through accessible communication channels and public disclosures, ensuring that stakeholders are kept informed of the Group's sustainability commitments, targets and performance.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	

Timeframe :		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied	
Explanation on application of the practice	:	The Board recognises the importance of maintaining adequate knowledge and understanding of sustainability issues relevant to the Group's business, including climate-related risks and opportunities, to effectively discharge its oversight responsibilities on sustainability matters. The Board continuously enhances its knowledge and awareness through participation in relevant training programmes, seminars and briefings on EESG matters, including developments in climate change, regulatory requirements and sustainability reporting standards. In addition, the Board receives regular updates and briefings from Management on the Group's sustainability initiatives, emerging EESG risks and opportunities, as well as industry developments relevant to its "Healthy Home Creator" business model. These updates enable the Board to assess the potential impact of sustainability and climate-related matters on the Group's operations, strategy and risk profile.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 4.4
Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	The Company incorporates sustainability considerations into the performance evaluation of the Board and Key Senior Management, particularly in relation to the management of material EESG risks and opportunities. The annual Board evaluation process includes an assessment of the Board's effectiveness in providing oversight of the Group's sustainability strategy, priorities and key initiatives, as well as its ability to identify and address material EESG risks and opportunities, ensuring that sustainability remains an integral part of the Group's long-term value creation. In parallel, the performance of Key Senior Management is assessed based on their execution and delivery of sustainability initiatives, management of material EESG matters, and achievement of sustainability-related objectives and targets, in alignment with the Group's sustainability agenda.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 4.5- Step Up
The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.		
Application	:	Adopted
Explanation on adoption of the practice	:	The sustainability function of the Company is led by the Non-Independent Executive Director and CEO, Mr. Hoe Kian Choon, who is responsible for overseeing the strategic management of sustainability matters, including the integration of EESG considerations into the Group's operations, business strategies and decision-making processes. In this role, he drives the implementation of sustainability initiatives, monitors performance against established sustainability priorities and targets, and ensures that sustainability considerations are embedded across key business functions in alignment with the Group's overall objectives as a "Healthy Home Creator". He works closely with the Management team and reports to the Board, providing updates on the Group's sustainability progress, key developments, and emerging EESG risks and opportunities. This dedicated leadership structure strengthens accountability and supports the effective implementation of the Group's sustainability framework.

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

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

Application	:	Applied
Explanation on application of the practice	:	The NRC conducts annual evaluations of the effectiveness of the Board, Board Committees and individual Directors, including an assessment of Directors' independence. The NRC also reviews the composition of the Board on a periodic basis, taking into consideration the appropriate size, diversity, and mix of skills, experience and competencies required to support the Group's strategic objectives. The current Board composition is considered appropriate, with a majority of Independent Directors and all Board Committees comprising exclusively Independent Non-Executive Directors, thereby supporting effective oversight and independent judgement. In addition, the NRC reviews the tenure of Directors, particularly Independent Directors, to ensure alignment with the recommended tenure limit under the MCCG, and confirms that none of the Independent Directors have exceeded the nine-year tenure limit. In accordance with the Company's Constitution, one-third of the Directors retire by rotation at each Annual General Meeting ("**AGM**"), with all Directors retiring at least once every three years. The Directors due for retirement are those who have served the longest since their last appointment. Directors seeking re-election are subject to assessment by the NRC, taking into consideration their performance, contribution, independence (where applicable), and compliance with the Company's Fit and Proper Policy, prior to the Board's recommendation for shareholders' approval.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure :		
Timeframe :		

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

Practice 5.2
At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Applied	
Explanation on application of the practice	:	The Board comprises five (5) members, of whom three (3) are Independent Non-Executive Directors, representing 60% of the Board composition. Following the annual assessment conducted by the NRC, all Independent Non-Executive Directors have been confirmed to be independent and free from any business or other relationships that could materially interfere with the exercise of independent judgement, in accordance with the prescribed independence criteria. The Board maintains a balanced composition of Executive, Non-Executive and Independent Non-Executive Directors, providing an appropriate mix of skills, experience and perspectives to support effective decision-making. The presence of a majority of Independent Directors strengthens objectivity, enhances checks and balances, and ensures that the interests of the Company and its stakeholders are safeguarded.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 5.3
The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied	
Explanation on application of the practice	:	The Board recognises the importance of maintaining independence and objectivity in its composition. As set out in the Board Charter, the tenure of an Independent Director should not exceed a cumulative term of nine (9) years without further extension. As part of the annual Board evaluation process, the NRC undertakes a review of the tenure and independence of each Independent Director to ensure that they continue to exercise independent judgement and contribute effectively to the Board's deliberations. Given the Company's listing on the Main Market of Bursa Securities in June 2025, none of the Independent Directors has exceeded a cumulative term of more than nine (9) years in the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.		
Application	:	Adopted
Explanation on adoption of the practice	:	The Board has adopted the policy which limits the tenure of its Independent Directors to a cumulative term of nine (9) years without further extension, which is set out in the Board Charter. This policy reinforces the Board's commitment to maintaining independence, objectivity and fresh perspectives in its composition.

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

Practice 5.5
Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

Application	:	Applied
Explanation on application of the practice	:	The Board is composed of qualified individuals who bring a diverse range of skills, experiences, cultural backgrounds, and perspectives which enhances the Board's deliberations and decision-making processes, ensuring comprehensive and well-rounded governance. In line with the Company's Fit and Proper Policy, the appointment and re-election of Directors are based on objective criteria and merit, taking into consideration, among others, character and integrity, experience and competence, as well as the ability to discharge responsibilities effectively. The NRC conducts a formal and rigorous assessment process, with due regard for diversity, including gender, age and professional background, to ensure a balanced and effective Board composition. The appointment of Key Senior Management is also based on a structured and merit-based process, ensuring that candidates possess the relevant qualifications, experience and leadership capabilities, as well as alignment with the Company's values and strategic direction. The Board also takes into consideration the time commitment and other directorships held by Directors, including positions in non-listed companies, to ensure that each Director is able to devote sufficient time and attention to the affairs of the Company. All Directors have demonstrated their commitment through active participation and consistent attendance at Board and Board Committee meetings. All Directors have attended all Board meetings held during the financial year under review since the Company's listing.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure :		
Timeframe :		

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

Practice 5.6
In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Applied
Explanation on application of the practice	:	The NRC oversees a formal, transparent and merit-based process for the identification, evaluation and recommendation of candidates for appointment to the Board. This process ensures that the Board's composition remains aligned with the Company's strategic priorities and maintains an appropriate balance of skills, experience, independence and diversity to support the Group's long-term growth. In identifying suitable candidates, the NRC adopts a broad and objective approach. While recommendations from existing Directors, Management and major shareholders may be considered, the NRC does not rely solely on these sources. Independent sources are also utilised where appropriate, including professional networks, industry referrals and external search firms, to enhance the diversity and quality of the candidate pool. The NRC evaluates all potential candidates against established criteria, including industry experience, strategic leadership capabilities, integrity, time commitment and the Company's future needs. Shortlisted candidates undergo interviews and assessment in accordance with the NRC's Terms of Reference before any recommendation is made to the Board for approval. During the financial year under review, there were no new appointments to the Board.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure :		
Timeframe :		

Intended Outcome
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 Company ensures that shareholders are provided with sufficient and relevant information to facilitate informed decision-making in respect of the appointment and re-election of Directors. For Directors standing for re-election, the Board provides a clear recommendation to shareholders. Comprehensive information on each Director is disclosed in the Annual Report, including their age, nationality, date of appointment, directorships in other companies, professional experience, and any interests which may be relevant to the assessment of their independence. Shareholders may refer to the profiles of the retiring Directors set out in Annual Report for further details. The explanatory notes accompanying the Notice of AGM also set out the relevant details and rationale to assist shareholders in their deliberations. In the case of new appointments, the Company makes the necessary announcements to Bursa Securities, which include the relevant details of the appointed Director, thereby ensuring transparency and timely dissemination of information to shareholders.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

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

Application	:	Applied	
Explanation on application of the practice	:	The NRC of the Company is chaired by Ms. Kwon Yoo Kyung, an Independent Non-Executive Director. Ms. Kwon leads the NRC in overseeing matters relating to the nomination function, including Board composition and effectiveness, succession planning, as well as the selection, assessment and re-election of Directors, in accordance with the Company's governance framework.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 5.9
The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	The Company is committed to promoting gender diversity at the Board level. As at the date of this report, women Directors represent 60% of the Board, exceeding the MCCG recommendation of at least 30%. The Board recognises that gender diversity enhances the quality of deliberations by bringing varied perspectives and experiences, thereby strengthening the effectiveness and sustainability of its decision-making. The NRC takes into consideration diversity, including gender, as a key factor in the selection and appointment of Directors, to ensure a balanced and inclusive Board composition aligned with the Company's strategic objectives and long-term growth.	
Explanation for departure	:	Please provide an explanation for the departure. .	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:	Choose an item.	

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

Practice 5.10
The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Applied	
Explanation on application of the practice	:	The Company has established a Boardroom Diversity Policy, which sets out its approach to promoting diversity at the Board level, taking into consideration factors such as skills, experience, knowledge, gender, age, ethnicity and background to support effective decision-making and long-term sustainability. The Policy emphasises merit-based selection, while recognising the importance of gender diversity. In this regard, the Board aims to maintain at least 30% women representation on the Board, in line with the recommendations of the MCCG. The Boardroom Diversity Policy is set out in the Board Charter, which is available on the Company's corporate website.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:	Choose an item.	

Intended Outcome
Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1
The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.		
Application	:	Applied
Explanation on application of the practice	:	In accordance with the MMLR of Bursa Securities, the Board undertakes a formal and objective annual evaluation to assess its effectiveness as a whole, as well as the performance of its Board Committees and individual Directors, including the independence of Independent Directors. The evaluation process is facilitated by the NRC, with the assistance of the Company Secretaries, and is conducted using structured questionnaires incorporating both self and peer assessments. The assessment covers, among others, the Board's composition, quality of deliberations, effectiveness of Board Committees, and the performance and contribution of individual Directors, including their time commitment, experience, integrity, competence and level of participation. The evaluation also includes an assessment of the independence of the Independent Directors, taking into consideration their relationships with the Group, involvement in significant transactions and other relevant circumstances that may impair, or be perceived to impair, their independence. To ensure objectivity, the Company Secretaries administer the evaluation process, including the distribution and collation of completed questionnaires, and prepare a summary of the results for review by the NRC. The NRC deliberates on the findings and submits its recommendations to the Board for consideration. As at the date of this Statement, the Board effectiveness evaluation for the financial year ended 31 December 2025 has been completed and the results have been presented to the Board.

	Based on the outcome of the evaluation, the Board is satisfied that it continues to operate effectively and cohesively, and that the Board Committees and individual Directors have discharged their duties and responsibilities with commitment and professionalism. The findings of the evaluation are utilised by the NRC to identify areas for enhancement and inform Board succession planning and composition, where appropriate, to ensure the continued effectiveness of the Board.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	The Company has established formal remuneration policies and procedures, which are set out in the Company's Remuneration Policy available on its corporate website. The Board has delegated the responsibility for developing the remuneration framework and making recommendations on the remuneration packages of Directors and Key Senior Management to the NRC. The Remuneration Policy is designed to ensure that Directors and Key Senior Management are fairly and competitively remunerated, taking into account the demands, complexities and performance of the Group, as well as the skills, experience and responsibilities required of each role, with the objective of attracting, retaining and motivating high-calibre individuals. In line with the Policy, the NRC undertakes an annual review of the remuneration framework and individual remuneration packages. In doing so, the NRC considers, among others, the scope of duties, experience, competency, individual and corporate performance, as well as prevailing market benchmarks and industry practices to ensure that the Company remains competitive and aligned with market standards. The remuneration framework differentiates between Executive Directors, Non-Executive Directors ("**NEDs**") and Key Senior Management, reflecting their distinct roles and responsibilities: • Executive Directors and Key Senior Management are remunerated through a combination of fixed remuneration and performance-based incentives, including discretionary bonuses linked to individual and Group performance.

	• NEDs are remunerated by way of fixed fees and meeting allowances, taking into account their experience, level of expertise, responsibilities and contributions to the Board and its Committees. The remuneration of NEDs is determined by the Board as a whole, based on recommendations from the NRC, while the remuneration of Executive Directors and Key Senior Management is performance-driven and aligned with the Company's strategic objectives. Directors' fees and benefits payable to NEDs are subject to shareholders' approval at general meetings, and the Directors concerned abstain from deliberations and voting on matters relating to their own remuneration. The NRC and the Board review the remuneration framework periodically to ensure its continued relevance, effectiveness and alignment with evolving regulatory requirements and market practices.
Explanation for departure :	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.	
Measure :	
Timeframe :	

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

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

Practice 7.2
The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

Application	:	Applied
Explanation on application of the practice	:	The Board has established the NRC, which comprised of exclusively all Independent Non-Executive Directors to oversee the implementation of the Company's remuneration policies and procedures, including reviewing and recommending matters relating to the remuneration of Directors and Key Senior Management. The NRC operates under clearly defined TOR which set out its roles, responsibilities, authority and scope of duties. In relation to remuneration, the NRC is responsible for reviewing and recommending the remuneration framework, policies and individual remuneration packages for Directors and Key Senior Management to the Board, ensuring that such remuneration is aligned with the Company's strategic objectives, performance and prevailing market practices. The NRC also ensures that the remuneration structure appropriately differentiates between Executive Directors, Non-Executive Directors and Key Senior Management, reflecting their respective roles, responsibilities and levels of accountability. The TOR of the NRC are made available on the Company's corporate website to promote transparency and accountability.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	

Timeframe :		

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

Practice 8.1
There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

Application	:	Applied
Explanation on application of the practice	:	The breakdown of each Director's remuneration (both Company and Group) for the financial year is disclosed by category, which includes Directors' fees and allowances, as follows:

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	Koo Bon Hak	Non-Independent Non-Executive Director	324	-	-	-	-	-	324	-	-	-	-	-	-	-
2	Hoe Kian Choon	Non-Independent Executive Director/ CEO	-	62	865	-	7	334	1,268	-	62	1,009	11	7	334	1,423
3	Low May-Teng	Senior Independent Non-Executive Director	48	-	-	-	-	-	48	-	-	-	-	-	-	-
4	Kwon Yoo Kyung	Independent Non-Executive Director	48	-	-	-	-	-	48	-	-	-	-	-	-	-
5	Marieta binti Abdull Hamid	Independent Non-Executive Director	48	-	-	-	-	-	48	-	-	-	-	-	-	-

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 Company does not disclose the remuneration of its top five Senior Management on a named basis, as the Board is of the view that such disclosure may not be in the best interest of the Company due to the confidential and sensitive nature of remuneration arrangements, as well as the potential risk of talent poaching in a competitive business environment, which may adversely affect the Group's ability to retain and attract key personnel. Notwithstanding this, the Board ensures that the remuneration of Senior Management is aligned with individual performance, responsibilities and the Company's strategic objectives, and is structured to attract, retain and motivate high-calibre talent. The remuneration of Senior Management is subject to annual review and benchmarking against relevant market data and industry practices, with oversight by the NRC to ensure that remuneration levels remain competitive, fair and commensurate with performance. As an alternative to named disclosure, the Company provides aggregate remuneration disclosure of Senior Management in appropriate bands, in line with its commitment to transparency while balancing confidentiality considerations.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1								
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)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
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	:	The ARMC of the Company is chaired by a Senior Independent Non-Executive Director who is not the Chairman of the Board. This clear separation of roles enhances the independence and objectivity of the ARMC, enabling it to effectively oversee the Company's financial reporting, internal control system, and audit processes without undue influence from the Board's leadership. This is further strengthened by having all Independent Non-Executive Directors as the ARMC members. The ARMC's TOR, which is available on the Company's corporate website, further reinforce its authority, independence and effectiveness in supporting the Board's governance and oversight responsibilities.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.2
The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied	
Explanation on application of the practice	:	In accordance with the TOR of ARMC, the Company has established a requirement for a minimum cooling-off period of three (3) years before a former key audit partner of the external auditors may be appointed as a member of the ARMC. This requirement is embedded within the ARMC's TOR and serves to mitigate potential conflicts of interest, thereby supporting the independence and objectivity of the ARMC in overseeing the Company's financial reporting and audit processes. As at the reporting date, none of the ARMC members are former audit partners of the external auditors of the Group. The ARMC will ensure ongoing compliance with this requirement in future appointments.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.3
The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied	
Explanation on application of the practice	:	The ARMC conducts an assessment of the external auditors in connection with their appointment and annual re-appointment, as applicable. For re-appointment, the ARMC undertakes an annual evaluation, which includes, among others, an assessment of the external auditors' independence, adequacy of resources, scope of statutory audit services, audit-related engagements, any non-audit services provided, as well as the reasonableness of the audit and non-audit fees. As part of this process, the external auditors provide confirmation to the ARMC affirming their independence throughout the audit engagement, in accordance with the By-Laws of the Malaysian Institute of Accountants. They also formally declare their independence and professional qualifications in the audit plan presented to the ARMC for the financial period under review. Based on the outcome of the assessment, the ARMC is satisfied with the competency, suitability, and independence of Messrs. KPMG PLT, as the Company's external auditors, and has recommended their re-appointment to the Board.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up
The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The ARMC comprises solely Independent Non-Executive Directors, ensuring a high level of independence, objectivity and impartiality in the discharge of its responsibilities. This composition strengthens the ARMC's ability to provide independent oversight of the Company's financial reporting, internal control system, risk management framework and audit processes.

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.5
Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

Application	:	Applied
Explanation on application of the practice	:	The ARMC of the Company comprises Independent Non-Executive Directors with the necessary skills, experience and competence to discharge their oversight responsibilities effectively. Collectively, the ARMC members possess a broad range of expertise, financial literacy and experience relevant to financial reporting, audit oversight, risk management and internal controls. The Chairman of the ARMC is a Senior Independent Non-Executive Director with extensive experience in corporate governance and financial oversight, while other members bring relevant professional backgrounds in finance, accounting and business management, enabling the Committee to critically evaluate financial matters, audit findings and related risks. To reinforce their effectiveness, ARMC members undertake continuous professional development to keep abreast of developments in accounting and auditing standards, regulatory requirements and industry best practices, ensuring they remain well equipped to fulfil their duties. The Board, through the NRC, also conducts an annual evaluation of the composition and performance of the ARMC. This assessment affirms that the ARMC comprises individuals with the requisite financial literacy, professional experience, and industry insight to discharge their responsibilities effectively.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

<table>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

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	:	In line with its Board Charter, the Board is responsible for identifying principal risks and ensuring that appropriate systems are in place to manage these risks, as well as reviewing the adequacy and integrity of the Group's internal control and management information systems. To discharge these responsibilities, the Board has established an integrated Enterprise Risk Management ("**ERM**") framework, which provides a structured and systematic approach for identifying, assessing, managing, and monitoring risks across the Group. The ERM framework is embedded within the Group's business processes and aligned with its strategic objectives, supported by clearly defined governance structures, reporting lines and accountability for risk management. The Board, through the ARMC, oversees the implementation and effectiveness of the risk management and internal control framework, while Management is responsible for the day-to-day identification, evaluation and management of risks, including the implementation of appropriate internal controls and mitigation measures. The internal audit function also provides independent assurance to the Board on the adequacy and effectiveness of the Group's internal control system. The Board recognises that the risk management and internal control framework is an ongoing process and dynamic process, and remains committed to its continuous enhancement in line with the Group's evolving business and regulatory environment.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure :		
Timeframe :		

Intended Outcome
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 key features and elements of the Group's risk management and internal control framework, as well as their adequacy and effectiveness are articulated in detail in the Statement on Risk Management and Internal Control ("**SORMIC**") as contained in the Company's Annual Report 2025. The SORMIC also defines the distinct roles and responsibilities of those responsible for maintaining the risk management and internal control systems. The measures implemented to manage and mitigate risks are clearly outlined in the SORMIC. The Board has received assurances from the CEO and Chief Financial Officer that the Group's risk management and internal control system is operating effectively in all material aspects based on the ERM Framework of the Group.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	The Company has established an ARMC, which undertakes the oversight of both audit and risk management functions. The ARMC is composed entirely of Independent Non-Executive Directors, and ensuring a high level of objectivity and independence in its oversight role. Although the risk management function is combined within the ARMC, the Committee performs the responsibilities of a Risk Management Committee, including reviewing and recommending the Group's risk management framework, strategies, policies and processes for the Board's approval. The ARMC also assesses the Group's risk profile, evaluates key risk exposures, and monitors the effectiveness of risk mitigation measures and internal controls. In addition, the ARMC oversees the Group's compliance with internal policies, applicable laws and regulatory requirements, and receives periodic reports from Management on risk management matters. This integrated structure enables a holistic and coordinated approach to both audit and risk oversight, and supports the Board in maintaining a robust risk governance framework.

Intended Outcome

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

Practice 11.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Company maintains an in-house Internal Audit ("**IA**") function, which reports functionally ARMC and administratively to the Management. This reporting structure ensures that the IA function operates with the necessary independence and objectivity in discharging its responsibilities. The IA function adopts a risk-based approach in developing and executing its annual audit plan, which is reviewed and approved by the ARMC. The audit plan covers key business units, operational processes and risk areas of the Group to provide adequate audit coverage. The IA function has unrestricted access to all records, personnel and relevant information of the Group to enable it to perform its duties effectively. Audit findings, recommendations and management's responses are reported to the ARMC on a quarterly basis, with follow-up reviews conducted to ensure that agreed corrective actions are implemented in a timely manner. To ensure the continued effectiveness of the IA function, the ARMC undertakes an annual assessment of its performance, adequacy of resources, competency and independence. This evaluation supports the maintenance of a high-quality internal audit function and provides the Board with independent assurance on the adequacy and effectiveness of the Group's risk management, governance and internal control systems. During the financial year under review, the ARMC is satisfied with the performance of the IA.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	The Internal Audit team is led by the Head of Department, Ms. Tay Sheue Ling, following the resignation of the former Senior Manager, Mr. Kim Tae Hoon in October 2025. Mr. Kim Tae Hoon had over 19 years of experience in finance, internal control, and audit. He previously served as the Head of Internal Audit at an overseas subsidiary, where he was responsible for establishing internal control frameworks, overseeing risk management processes, and leading internal audit functions. Prior to that, he held various roles in finance and internal control within global pharmaceutical and information technology companies, with exposure to SOX-based controls and risk management practices. He holds a Master of Business Administration (MBA) from Anglia Ruskin University, United Kingdom. Ms. Tay Sheue Ling brings approximately 10 years of experience in risk management and internal audit, primarily within the Group. She holds a Bachelor's Degree in Business Administration. She is supported by one (1) internal audit personnel at the Senior Executive level, who holds a Bachelor's Degree in Law and Commerce and has approximately 8 years of experience in internal audit. The internal audit team collectively possesses the necessary academic qualifications and relevant experience to effectively discharge their responsibilities. The Company's internal audit function is guided by the International Professional Practices Framework (IPPF) set out by the Institute of Internal Auditors, ensuring adherence to global best practices in auditing. To maintain independence and objectivity, none of the personnel in the Internal Audit team have familial ties with the Group's Directors or the Company. This structure mitigates potential conflicts of interest,

	ensuring that the team can perform its duties without bias and exercise professional judgment with integrity.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 12.1
The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied
Explanation on application of the practice	:	The Board of Cuckoo recognises that effective, transparent and timely communication with stakeholders is essential in fostering trust, confidence and long-term relationships. The Company adopts a proactive approach in ensuring that stakeholders are provided with timely, accurate and accessible information through various communication channels, including: • **Corporate announcements and financial results** released via Bursa Securities, ensuring timely dissemination of material information to the market; • **Investor relations and corporate website** at *www.cuckoo.com.my*, which serves as a central platform for corporate information, financial reports, governance disclosures and investor-related updates; • **Annual Reports**, which provide comprehensive information on the Group's financial performance, business operations and corporate governance practices; • **General meetings**, which offer shareholders the opportunity to engage directly with the Board and Management, raise questions and participate in key decision-making processes; and • **Direct engagement channels**, including dedicated email addresses and contact channels available on the Company's website to facilitate enquiries and feedback from stakeholders. Through these initiatives, the Board ensures ongoing engagement with stakeholders and remains committed to maintaining open channels of communication to support informed decision-making and strengthen stakeholder confidence in the Company.
Explanation for departure	:	

<table>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

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.

<table>
<tr><td>Application :</td><td colspan="2">Not applicable – Not a Large Company</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2"></td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

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 Company ensures that the Notice of the AGM is circulated to shareholders at least 28 clear days prior to the scheduled AGM date (excluding the date of dispatch and the date of the meeting), which is well in advance of the 21 days' notice requirement under the Companies Act 2016 and the MMLR of Bursa Securities. For the financial year under review, the Notice convening the 2nd AGM to be held on 3 June 2026 will be issued on 30 April 2026, providing shareholders with sufficient time to review the Annual Report and consider the resolutions to be tabled at the meeting, thereby enabling them to make informed decisions when exercising their voting rights. The Notice of AGM sets out the resolutions to be tabled at the meeting and is accompanied by relevant explanatory notes to provide clarity on the matters to be decided. The Notice of AGM, together with the Form of Proxy, Annual Report and Corporate Governance Report, is made available on the Company's corporate website. Shareholders are notified of the availability of these documents via email or by post, as applicable. In addition, the Notice of AGM is announced via Bursa Link and published in a national newspaper to ensure wider dissemination of information to shareholders. By adopting this practice, the Company promotes greater transparency, accessibility and effective shareholder participation in its general meetings.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	The AGM serves as a key platform for the Company to engage directly with its shareholders and facilitate meaningful two-way communication. The Company was listed in 24 June 2025 and the 2nd AGM to be held on 3 June 2026 represents the first AGM of the Company following its listing on the MAIN Market of Bursa Securities. All Directors, including the Chairman of the Board and the Chairpersons of the ARMC and NRC, are committed to attend the AGM to engage directly with shareholders. During the AGM, the Chairman will open the floor for shareholders to raise questions relating to the Company's financial statements, operations and other agenda items. The Directors, including the respective Committee Chairpersons, will provide meaningful and informed responses to address shareholders' queries. In addition, the Company's CEO, Chief Financial Officer and External Auditors (or their representatives) are present at the AGM to provide further clarification on financial, operational and audit-related matters, where required. The presence and active participation of the Board, Management and External Auditors provide shareholders with the opportunity to engage directly with the Company's leadership, thereby promoting transparency, accountability and investor confidence.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Company will hold its forthcoming 2nd AGM physically at Level 13A, EkoCheras Office Tower, No. 693, Batu 5, Jalan Cheras, 56000 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur on Wednesday, 3 June 2026. The Board has taken into consideration the joint statement issued by the Securities Commission Malaysia and Bursa Securities on 30 August 2024, which requires listed issuers to conduct general meetings either in a hybrid or physical format with effect from 1 March 2025. The Board is of the view that holding a physical AGM provides shareholders with a conducive environment for direct engagement, allowing for more effective interaction with the Board and Management, as well as facilitating meaningful discussions and immediate feedback during the meeting. The selected venue is centrally located and easily accessible to shareholders. Notwithstanding the above, the Company remains mindful of the importance of facilitating shareholder participation. Shareholders who are unable to attend the AGM in person may appoint a proxy to attend, participate, speak and vote on their behalf in accordance with the provisions of the Companies Act 2016 and the Company's Constitution. The Board will continue to evaluate the adoption of appropriate technological solutions, where relevant, to enhance shareholder participation and engagement in future general meetings.
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

<table>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

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

Practice 13.4
The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.		
Application	:	Applied
Explanation on application of the practice	:	The Chairman of the Board plays an active role in ensuring that the Company's general meetings provide a meaningful platform for engagement between the Board, Key Senior Management and shareholders. The Company was listed in June 2025 and the forthcoming 2nd AGM represents the first AGM since its listing. All Directors, including the Chairman of the Board and the Chairpersons of the ARMC and NRC, are committed to attend the AGM to engage directly with shareholders. During the AGM, the Chairman will open the floor for questions from shareholders prior to the tabling of resolutions for voting. Shareholders are encouraged to raise questions relating to the Company's financial and non-financial performance, as well as its business operations and long-term strategies. Adequate time is allocated to ensure that shareholders have sufficient opportunity to pose questions and express their views. All Directors will actively participate in addressing questions within their respective areas of responsibility. In addition, Key Senior Management and the External Auditors (or their representatives) are present at the AGM to provide further clarification and professional insights where required, ensuring that all queries raised receive meaningful and informed responses. The presence and active participation of the Board, Management and External Auditors foster robust and interactive discussions, enabling shareholders to engage directly with the Company's leadership.
Explanation for departure	:	

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

Intended Outcome

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

Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

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

Intended Outcome

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

Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.		
Application :	Applied	
Explanation on application of the practice :	The Company was listed on 24 June 2025 and the forthcoming 2nd AGM represents the first AGM since its listing. The Minutes of the 2nd AGM to be held on 3 June 2026 will be made available on the Company's website within 30 business days after the 2nd AGM.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

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

Click or tap here to enter text.