

CORPORATE GOVERNANCE REPORT

STOCK CODE : 9423
COMPANY NAME : CWG HOLDINGS BERHAD
FINANCIAL YEAR : June 30, 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 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	:	The Board of Directors of CWG Holdings Berhad ("the Board") ("the Company") plays an active role in directing Management in an effective and responsible manner. The Directors, collectively and individually, have a legal and fiduciary duty to act in the best interest of the Company and to effectively represent and promote the interests of the shareholders and stakeholders with a view to achieve its vision towards corporate sustainability, as enshrined in the Group's Vision and Core Values Statement. The Board is guided by Board Charter and its responsibilities are included in the Board Charter which is available on the Company website at www.cwgholdings.com.my. The Board is responsible for formulating and reviewing the strategic plans and key policies of the Company and charting the course of the Group's business operations whilst providing effective oversight of Management's performance, risk assessment and controls over business operations. The Audit Committee and the Board met with representatives from Management on a quarterly basis where Management reported on the performance and results of the business of the Company and the Group which are benchmarked against the previous year. Management is responsible for the execution of activities to meet corporate plans as well as instituting various measures to ensure due compliance with various governing legislations.
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	:	The Board is led by the Executive Chairman, Mr. Ooi Chin Soon. The Chairman provides leadership and governance of the Board in its responsibilities for the business and affairs of the Company and its oversight of Management in order to create a conducive condition geared towards building and growing Directors' effectiveness and ensure that appropriate issues are discussed by the Board in a timely manner. Essentially, Chairman ensures that no member dominates discussion so that appropriate discussions take place and that relevant opinions among members is forthcoming. The Chairman also ensures that every Board resolution is put to vote with the will of majority to prevail. Mr. Ooi also chairs the general meetings and ensure that the conduct of the same in order by ensuring proper flow of resolutions tabled at the meeting and managing communication from the shareholders. He encourages active participation from shareholders during the questions and answers session. The roles and responsibilities of the Chairman of the Board are stated in the Board Charter, which is published on the Company's website at www.cwgholdings.com.my.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.3

The positions of Chairman and CEO are held by different individuals.

Application	:	Applied	
Explanation on application of the practice	:	The Board has always made the distinction that the position of the Executive Chairman and Group Managing Director does not reside with the same person. This is to engender accountability and facilitate clear division of responsibilities to ensure there is a balance of power and authority in the Company. The Executive Chairman, Mr. Ooi Chin Soon provides leadership to the Board in its cohesive oversight of Management and ensuring Board effectiveness and standards of conduct. He is also responsible for strategic planning, business development and overseeing the business operations with the Group Managing Director. The Group Managing Director, Mr. Tan Hing Ming is to oversee the management of the business and affairs of the Group. He is responsible for evaluating business opportunities and carrying through approved strategic business proposals, implementing appropriate systems of internal accounting and other controls, adopting suitably competitive human resource practices and compensation policies, and ensuring the Group operates within the approved budgets and business direction. Mr. Tan also ensures that the Group's corporate identity, products and services are of high standard and reflective of market environment, business practices are in compliance with governmental regulations.	
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	:	The Chairman of the Board, Mr. Ooi Chin Soon is not a member of Audit Committee and Nomination and Remuneration Committee.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	Both Company Secretaries of the Company are qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016 as both are members of the MAICSA (Malaysian Institute of Chartered Secretaries & Administrators). The Company Secretaries are responsible for advising the Board on regulatory requirements and corporate governance matters. The Company Secretaries, or their assistants, is present at all meetings to record deliberation, issues discussed and conclusions in discharging their duties and responsibilities and also provide advice in relation to relevant guides and legislations. Other roles of the Company Secretary included coordinating with Management on the preparation of Board papers with management, ensure Board procedures and applicable rules are observed and maintaining records of the Board as well as provide timely dissemination of information relevant to the Directors' roles and functions and keeping them updated on evolving regulatory requirements.
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	:	The agenda and board papers for consideration are distributed at least five (5) business days in advance before each meeting to ensure that Directors have sufficient time to study them and be properly prepared for discussion and decision-making. Minutes are prepared for all Board and Board Committees' proceedings, circulated to the Board and/or Board Committee Members and circulated for confirmation at the subsequent meetings. The respective Chairman will sign the minutes after confirmation by the Board and/or Board Committee. The Board, whether as full Board or as Board Committees, may upon approval from the Board or the Board Committee, as applicable, seek independent professional advice if required, in furtherance of their duty, at the Group's expense. The Board of Directors is satisfied that it is supplied, on a timely basis, information in a form and of quality sufficient to enable the Board to discharge its duties.
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	:	There is a Board Charter in place which clearly sets out the Board's strategic roles and responsibilities in discharging its fiduciary and leadership functions. The Board Charter also serves as a primary reference point on governance matters for Directors as it defines the roles and responsibilities of the Board, Board Committees, Executive Chairman, Group Managing Director, Executive Directors, Senior Independent Director and Non-Executive Directors as well as matters reserved for collective decision of the Board. The Board Charter is made publicly available on the Company's website at www.cwgholdings.com.my.
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	:	The Work Ethics of the Group, the Employee Handbook, the Collective Agreement and the Company Policies are available and serve as guide for the employees and Management on professional and ethical behavior in compliance with applicable laws and regulations to safeguard the reputation of the Group. The Employee Handbook and the Collective Agreement detailed, among others, general employment terms and conditions, compensation and benefits and discipline. There is a Board Code of Conduct which reflects the Board's commitment to ethics and compliance with applicable laws and regulations. The Board Code of Conduct provides guidance to its Directors on ethical standards which the Directors shall adhere to in carrying out their fiduciary duties and responsibilities. It sets out the principles that Directors need to observe particularly in respect of conflict of interest and no improper use of assets. This is to ensure that high ethical standards are upheld, and that the interests of stakeholders are always taken into consideration. The Board has adopted an Anti-Bribery & Corruption Policy ("ABC Policy") to set out some parameters to prevent the occurrence of bribery and corrupt practices in relation to the businesses of the Group. Both the Board Code of Conduct and ABC Policy are available for reference on the Company's website at www.cwgholdings.com.my.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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 Board has established a Whistle-Blowing Policy, which provides an avenue to voice genuine concerns of any suspected wrongdoings, unethical behavior and malpractices impacting the interest of the Group without fear of reprisal. The Whistle-Blowing Policy sets out the protection to any reporting individual who has made the disclosure/report in good faith, the confidentiality in dealing with such disclosure/report, the communication channel and the grievance procedure making the disclosure/report. The Whistle-Blowing Policy is made publicly available on the Company's website at www.cwgholdings.com.my.	
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 is cognisant of the importance of business sustainability. The Board has the overall responsibility of overseeing the Group's sustainability matters, its direction and performance. The impact on economic, environmental and social aspects are always taken into consideration by the Board when developing and implementing any strategies, business plans, major plans of action and risk management of the Group. The Group has established a Sustainability Working Committee ("SWC") which is helmed by the key senior management and heads of department as Committee members. The SWC is responsible for identifying and managing the material sustainability matters and reporting the progress to the key senior management. The key senior management provides oversight and review to the Group's sustainability strategy, performance and issues.	
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	:	The Board believes that the stakeholder engagement is fundamental to shaping the sustainability strategy and is imperative for achieving sustained long-term growth. As such, the Group engages with internal and external stakeholders through various platforms on an ongoing basis, so as to gain insight into their interests and concerns on sustainability matters.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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 is mindful of the importance for its members to undergo continuous training so as to keep themselves abreast with the latest developments in the industry, as well as the sustainability issues relevant to the Group, which includes factors driving climate change and achieving a sustainable business model. The Board has reasonably sufficient knowledge of the sustainability issues relevant to the Group. The Management will keep the Board informed of any initiatives and progress on sustainability issues from time to time. The Board shall discuss the issues at the Board meeting when necessary.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application	:	Applied
Explanation on application of the practice	:	The Nomination and Remuneration Committee undertakes annual assessment of the effectiveness of the Board, the Board Committees and the contribution of each individual Director. The evaluation also covers how effectively the Board addresses the Group's material sustainability risks and opportunities. Key areas assessed include: a) Board's deliberation on material Environmental, Social and Governance ("ESG") matters. b) Effectiveness of the Group's sustainability governance framework in reporting ESG risks, targets and initiatives. c) Board's competence in identifying and managing the Group's material sustainability matters. All Directors are provided with the same set of assessment forms for their completion. A summary of the assessment results will be reported to the Board by the Chairman of Nomination and Remuneration Committee. Performance appraisal is conducted for the Management personnel on yearly basis. The performance factors for the said appraisal takes into account, among others, material sustainability matters such as people development and workplace safety and health.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.5- Step Up

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

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Adopted
Explanation on adoption of the practice	:	The Group Managing Director, Mr. Tan Hing Ming is the designated person managing sustainability. Mr. Tan chairs the SWC. The SWC comprises heads of department and the management personnel appointed by Mr. Tan from time to time. Mr. Tan oversees the progress of the sustainability initiatives together with the sustainability strategies set and reports to the Board when necessary.

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 size and composition of the Board are reviewed annually by the Nomination and Remuneration Committee. The Board through the Nomination and Remuneration Committee's annual assessment believes that the current composition of the Board brings the required mix of skills and core competencies required for the Board to discharge its duties effectively. In addition, the independence of all Non-Executive Directors is reviewed annually, with reference to their independence of character and judgement and whether any circumstances or relationships exist which could affect their judgement. The Board is of the view that the present Independent Non-Executive Directors, with the breadth of professional and business background, have enabled the Board to exercise objective judgement on various issues through their sharing of impartial, independent and unbiased opinion and viewpoints. A Director who is due for re-election at the upcoming Annual General meeting ("AGM") will also be assessed by the Nomination and Remuneration Committee, who will then submit its recommendation to the Board for deliberation and endorsement. Thereafter, shareholders' approval will be sought for the re-election.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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

Application	:	Applied	
Explanation on application of the practice	:	The current Board comprises seven (7) members with four (4) being Independent Non-Executive Directors ("INEDs").	
		Directorate	Director(s)
		Executive	Ooi Chin Soon, Executive Chairman Tan Hing Ming @ Chin Hing Ming, Group Managing Director Datuk Hong Choon Hau, Group Executive Director
		Independent Non-Executive	Razmi Bin Alias, Senior INED Loh Seong Yew, INED Ng Tiang Yong, INED Cheong Sing Yee, INED
		The number of Independent Directors is in compliance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") which requires the Board to have at least two (2) Independent Directors or one-third (1/3) of the Board of Directors, whichever is higher, to be Independent Directors and at least one (1) woman director on Board. The Board's composition has also applied Practice 5.2 as recommended under the Malaysian Code on Corporate Governance ("Code") that the Board comprises a majority of independent directors.	
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 concept of independence as adopted by the Board is consistent with definition of INEDs outlined in Paragraph 1.01 and Practice Note 13 of the MMLR. The key elements for fulfilling the criteria are the appointment of Directors who are not members of management and who are free of any relationship which could interfere with the exercise of independent judgement or the ability to act in the best interest of the Company. The INEDs do not participate in daily management of the Group. During meetings, the INEDs participate fully during deliberations and fulfill crucial role in corporate accountability by providing independent, impartial, unbiased and objective views, opinions, advices and judgements in the evaluation of various issues on strategies, performances and resources. Encik Razmi Bin Alias was appointed as an INED of Chee Wah Corporation Berhad ("Chee Wah") on 9 December 2016. Following the transfer of listing status from Chee Wah to CWG Holdings Berhad ("CWG") upon the completion of the share exchange on 30 June 2017, he continued to serve on the Board. As at 8 December 2025, he will have served as an INED for a cumulative term of more than nine (9) years. As the Senior INED, Encik Razmi, together with the other three (3) INEDs, has contributed significantly towards ensuring that the Board's deliberations on strategies, performance and resources are undertaken objectively, with due consideration to the long-term interests of shareholders and stakeholders. Following the assessment, the Board recommends that Encik Razmi Bin Alias continues to serve as the Senior INED of the Company, subject to shareholders' approval through a two-tier voting process at the forthcoming AGM. The Board's recommendation is supported by the following justifications: a) He fulfills the independence criteria prescribed by Bursa Securities and brings objectivity and impartiality that serve as an effective check and balance to the executive team. b) His extensive industry experience enhances the Board's collective expertise, enabling him to contribute valuable insights and independent judgement.

	c) He has consistently carried out his duties with diligence and has actively contributed to Board deliberations by offering balanced assessments and diverse perspectives that strengthen decision-making. d) His long association with the Company has provided him with a deep understanding of the Group's business operations, allowing him to participate effectively in Board discussions.	
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	:	The Board is supportive of diversity on the Board and in Senior Management team. Appointment of Board and Senior Management are based on objective criteria, merit and also due regard for diversity in experience, skills set, age and cultural background. The Directors, with their diverse background and professional specialisation collectively, bring with them a wealth of experience and expertise in areas such as business development, management and operations, manufacturing, digital imaging, logistics, trading, legal, finance and accounting. The Board has complied with Paragraph 15.06 of the MMLR of Bursa Securities on the restriction on the number of directorships in listed companies held by the Directors. In addition, the Directors are required to notify the Board in a timely fashion before accepting an invitation to serve on the board of other listed companies. The Board is satisfied that the external directorships of the Board members have not impaired their ability to devote sufficient time in discharging their roles and responsibilities effectively. During the financial year under review, the Directors have demonstrated their ability to devote sufficient time and commitment to their roles and responsibilities as Directors of the Company. This is evidenced by the full attendance record of the Directors at Board meetings.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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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 5.6

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 Nomination and Remuneration Committee ("NRC") is primarily responsible for recommending suitable appointments to the Board, taking into consideration the Board structure, size, composition and the required mix of expertise and experience which the Directors should bring to the Board. The NRC will rely on varied sources to identify candidate for directorship, including recommendations from existing Directors, Management or major shareholders as well as independent sources, as and when it deems necessary. In assessing and evaluating the suitability of candidates for recommendation to the Board for appointment, the NRC will consider, inter alia, the background, education, knowledge, integrity, competency, experience, commitment and potential contribution to the Group. The final decision on the appointment of a candidate recommended by NRC rests with the Board.	
Explanation for 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 5.7

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 profiles of Directors are published in the Annual Report 2025 which include their age, gender, position, directorships in other companies, working experience and any conflict of interest, whereas their interests in the securities of the Company are set out in the analysis of shareholdings and warrant holdings respectively. The performance of the retiring directors is assessed by the NRC and the Board before recommendation is made to the shareholders for consideration. As for the independent directors, the NRC also assess their relationship with the executives that might influence, or reasonably be perceived to influence their capacity to bring an independent judgement and to act in the best interests of the Company as a whole. The Board has provided a statement in the notice of the 9th AGM to support the re-election of the retiring Directors.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	The Nomination Committee was merged with the Remuneration Committee to form the Nomination and Remuneration Committee ("NRC") on 29 June 2017. The merger has improved and enhanced deliberation on Directors as the NRC combines the complementary roles, scope of work and responsibilities of the former committees.	
		The NRC comprised solely of INEDs and its present composition is as follows:	
		Chairman	Razmi Bin Alias
		Members	Loh Seong Yew Ng Tiang Yong Cheong Sing Yee
		The NRC would meet at least once (1) annually with additional meetings convened on as and when needed basis.	
	The NRC's key duties and key activities are as disclosed in the Annual Report 2025.		
	The Terms of Reference of NRC is accessible for reference on the Company's website at www.cwgholdings.com.my .		
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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board acknowledges the best practice of the Code that the board should comprise at least 30% women directors. Presently, the Board comprises one (1) female Independent Non-Executive Director (i.e. 14% woman director), Ms. Cheong Sing Yee. The Board has complied with the provision of the MMLR of Bursa Securities requiring at least one (1) woman director on Board. The Board does not adopt any formal gender diversity policy in selection of new Board members as the Group adheres to the practice of non-discrimination with regards to gender, age, race or religion. Hence, the Board does not set a specific target on the composition of the Board in terms of gender, age or ethnicity. The Board evaluates a candidate of new Board member by considering various factors, including skill and expertise, personal qualities, educational qualification and capability to discharge duty effectively. This practice supports diversity in skills, experience and perspectives without setting strict gender quotas. By focusing on merit and giving women equal opportunity, the Board maintains a balanced and effective composition. The Board remains committed to enhancing female representation by considering qualified women candidates when future vacancies arise.	
<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	:	Whilst acknowledging the recommendation of the Code on gender diversity, the Board is of the collective opinion that there was no necessity to adopt a formal gender diversity policy as the Group is committed to provide fair and equal opportunities and nurturing diversity within the Group.	
		The Board believes in and provides equal opportunity to candidates who have the necessary skills, experience, commitment (including time commitment), core competencies and other qualities regardless of gender, ethnicity and age, to maximize the effectiveness of the Board and senior management.	
		The Board has not adopted a formal gender diversity policy. Instead, the Board and senior management appointments are made based on merit, ensuring all candidates are considered fairly regardless of gender, ethnicity or age.	
		This merit-based approach ensures that the most qualified individuals are appointed, while still supporting diversity through equal opportunity. It allows the Board and senior management to have the right mix of skills, experience and perspectives to drive the Group’s effectiveness.	
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 form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	The NRC undertakes annual assessment of the effectiveness of the Board, the Board Committees and the contribution of each individual Director on an annual basis. The INEDs are also assessed annually by the NRC on behalf of the Board. Following an assessment carried out for the financial year ended 30 June 2025 ("FY2025"), the Board is satisfied with the level of independence demonstrated by the INEDs and their ability to provide unbiased, impartial and objective opinion during meetings and act in the best interest of the Company. All assessments and evaluations carried out by the NRC in the discharge of all its functions are documented. The assessment is performed on self-assessment basis. All Directors are provided with the same set of assessment forms for their completion. The results of all assessments and comments by Directors are summarised and tabled at the NRC meeting. The Chairman of the NRC will report the results and deliberation to the Board. The criteria used in the assessment of the Board and the Board Committees focused on board mix and composition, quality of information and decision-making, boardroom activities, board's relationship with Management and Board Committees. The assessment of individual Director focused on fit and proper, contribution and performance, calibre and personality, skills set and independence. The Board was satisfied with the results of the assessment carried out in FY2025.

	The retiring Directors who are subject to re-election at next AGM are assessed by the NRC before recommendation is made to the Board and shareholders for re-election. Appropriate assessment and recommendation by the NRC are based on the annual assessment conducted for the FY2025 with reference to the Fit and Proper Policy. The NRC are satisfied with the performance and contributions of the retiring Directors that they have effectively discharged their duties and responsibilities. The NRC made recommendations to the Board for re-election of all the retiring Directors.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.1

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	Presently, the Company does not have a formal remuneration policies and procedures for Directors and Senior Management. However, the NRC is responsible for recommending the remuneration structure for Directors as well as remuneration package for Executive Directors and key senior management. The objective is to attract and retain the Directors required to lead and control the Group effectively. In the case of the executive Board members, the components of the remuneration package are linked to individual and Company's performance. As for the Non-Executive Directors, the level of remuneration is reflective of their experience and level of responsibilities and the onerous challenges in discharging their fiduciary duties. The NRC met one (1) time during the year to consider the remuneration package for the Executive Directors as well as Directors' fees and benefits payable for the Non-Executive Directors. The Directors' fees reflect the broad based roles and responsibilities as well as time commitment to the Group that go with Board membership. The Directors' fees and benefits payable to the Non-Executive Directors are reviewed annually. The executive Board members played no part in deciding their own remuneration and the respective Board members abstained from all discussion and decisions pertaining to their remuneration. The remuneration package for the executive Board members is calibrated to ensure that it is sufficient to attract, motivate and retain them in their role in overseeing the affairs of the Group and ensuring compliance with regulatory requirements and best practices. This approach ensures remuneration remains fair, transparent and performance-driven. Executive Directors' packages are linked to both individual and Company performance, while Non-Executive Directors'

	fees reflect their responsibilities and time commitment. Reviews are carried out annually, with affected Directors abstaining from decisions on their own remuneration. This process enables the Group to attract and retain qualified leaders while safeguarding independence.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

The 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 Remuneration Committee was merged with the Nomination Committee to form the Nomination and Remuneration Committee ("NRC") on 29 June 2017. The merger has improved and enhanced deliberation on Directors as the NRC combines the complementary roles, scope of work and responsibilities of the former committees.				
		The NRC comprised solely of INEDs and its present composition is as follows:				
		<table><tr><td>Chairman</td><td>Razmi Bin Alias</td></tr><tr><td>Members</td><td>Loh Seong Yew Ng Tiang Yong Cheong Sing Yee</td></tr></table>	Chairman	Razmi Bin Alias	Members	Loh Seong Yew Ng Tiang Yong Cheong Sing Yee
	Chairman	Razmi Bin Alias				
	Members	Loh Seong Yew Ng Tiang Yong Cheong Sing Yee				
	The NRC would meet at least once (1) annually with additional meetings convened on as and when needed basis.					
	The NRC's key duties and key activities are as disclosed in the Annual Report 2025.					
	The Terms of Reference of NRC is accessible for reference on the Company's website at www.cwgholdings.com.my .					
Explanation for departure	:					
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.						
Measure	:					

Timeframe	:		
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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	:	A summary of the remuneration of the Directors of the Company and the Group for the financial year ended 30 June 2025, distinguishing between Executive and Non-Executive Directors, with categorisation into appropriate components is set out as below.

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	Ooi Chin Soon	Executive Director	12	-	-	-	-	-	12	27	30	660	251	5	180	1,153
2	Tan Hing Ming	Executive Director	12	-	90	15	-	21	138	27	30	600	231	5	166	1,059
3	Datuk Hong Choon Hau	Executive Director	12	30	300	103	-	82	527	12	30	300	103	-	82	527
4	Razmi Bin Alias	Independent Director	24	8	-	-	-	-	32	24	8	-	-	-	-	32
5	Loh Seong Yew	Independent Director	24	8	-	-	-	-	32	24	8	-	-	-	-	32
6	Ng Tiang Yong	Independent Director	24	6	-	-	-	-	30	24	6	-	-	-	-	30
7	Cheong Sing Yee	Independent Director	24	6	-	-	-	-	30	24	6	-	-	-	-	30
8		Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Intended Outcome

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

Practice 8.2

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	:	Given the confidential and commercial sensitivities associated with remuneration matters in highly competitive human resources environment and the importance of ensuring stability and continuity of business operations with a competent and experienced Management team in place, the Board takes the view that there is no necessity for the Group to disclose the remuneration of the Company's Senior Management personnel who are not Directors. This approach safeguards confidentiality in a competitive environment while ensuring remuneration is fair, performance-driven and sufficient to attract and retain competent leaders.
<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	-	-	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	-	-	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	-	-	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	-	-	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	-	-	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	-	-	-	-	-	-	-	-
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	:	Mr. Loh Seong Yew, an INED, is the Chairman of the Audit Committee ("AC") whereas the Chairman of the Board is Mr. Ooi Chin Soon. Details on the composition, terms of reference and other pertinent facts of the AC is outlined under the AC Report in the Annual Report 2025.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	None of the members of the Board were former key audit partners. Hence, no former key audit partner is appointed to the Audit Committee. The terms of reference of the Audit Committee provides that the Company and the Board will observe a cooling-off period of at least three (3) years in the event any potential candidate to be appointed as a member of the Audit Committee is a former key audit partner.	
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	:	There is in place a Policy and Procedure for Selection, Appointment and Assessment of External Auditors to guide the Audit Committee in reviewing the suitability, objectivity and independence of the external auditor of the Company on an annual basis. The review process covers the assessment of the independence of the external auditor, the evaluation of the external auditor's performance, competency, quality of work, audit fees and the adequacy of resources. Following an annual assessment of the suitability and independence of the external auditors in respect of FY2025, the Audit Committee is satisfied with the technical competency, fees, quality of work and independence of the external auditors. The Audit Committee met with the external auditors twice during FY2025 to discuss their audit plan, audit findings and the Company's financial statements. At least once a year and whenever necessary, the Audit Committee meets with the external auditors without the presence of executive Board members or Management personnel, to allow the Audit Committee and the external auditors to exchange independent views on matters which require the Audit Committee's attention. The Audit Committee has considered the non-audit services provided by the external auditors during FY2025 and concluded that the provision of these services did not compromise the external auditors' independence and objectivity. The amount of fees paid for these services was not significant when compared to the total fees paid and payable to the external auditors. The external auditors have confirmed to the Audit Committee that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the professional and regulatory requirements. A summary of activities of the Audit Committee during the financial year under review is set out in the Audit Committee Report in the Annual Report.
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	:	The Audit Committee comprises solely of Independent Non-Executive Directors. The current composition of the Audit Committee is as follows:	
		Chairman	Loh Seong Yew
		Members	Razmi Bin Alias Ng Tiang Yong Cheong Sing Yee

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 Audit Committee currently comprises members with professional experience in business management, general management, legal, economics, finance and accounting. All members are financially literate and are able to read, interpret and understand the financial statements. The diversity in skills set coupled with their financial literacy gave the Audit Committee the ability to effectively discharge their roles and responsibilities. The Audit Committee regularly receives updates and briefings, particularly from the external auditors on the relevant developments and key changes in Malaysian Financial Reporting Standards, Malaysian Code on Corporate Governance and other practices and rules in regulatory.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.1

The board should establish an effective risk management and internal control framework.

Application	:	Applied	
Explanation on application of the practice	:	The Board recognises the importance of sound internal controls which encompass risk management practices as well as financial, operational and compliance controls. In this respect, the Board affirms its overall responsibility for the Group's systems of internal controls and risk management, and for reviewing the adequacy and integrity of those systems. Continuous reviews are carried out by the Group's outsourced internal audit function, whereas Risk Management Committee and Management personnel are to identify, evaluate, monitor and manage significant risks affecting the business and ensure that adequate and effective controls are in place. The findings of the internal audit function are reported to the Audit Committee thrice during the financial year under review.	
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 delegated the duties to the Risk Management Committee and Management personnel for identifying, evaluating and monitoring the key business and operational risks on on-going basis. The internal auditors evaluate the adequacy and effectiveness of the Group's risk management and internal control system. The respective heads of department are responsible for identifying and managing the risk of their departments. Changes in the business and operational risks faced by the Group, emergence of new key business risks, mitigating measures and corresponding internal controls are discussed during management meeting and reported to the Board, if material and applicable. The Executive Chairman, the Group Managing Director and the Group Financial Controller have given the assurance to the Board that the Group's risk management and internal control have been operating adequately and effectively in all material aspects during the year and up to the date of the Statement on Risk Management and Internal Control. Taking this assurance into consideration, the Board is of the view that the systems of internal control and the risk management is considered adequate for the Group's business operations.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 11.1

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

Application	:	Applied	
Explanation on application of the practice	:	The internal audit function is independent of the operations of the Group and is outsourced to a competent consulting firm, JWC Consulting Sdn. Bhd. ("JWC"), which is sufficiently resourced to provide the services that meet with the Group's required service level. JWC has been able to provide reasonable assurance that the Group's system of internal control and risk management is satisfactory and operating effectively. The internal auditors report directly to the Audit Committee. The internal auditors adopt a risk-based approach towards the planning and conduct of their audits, and this is consistent with the Group's approach in designing, implementing and monitoring its internal control system.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 11.2

The board should disclose—

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

Application	:	Applied
Explanation on application of the practice	:	JWC Consulting Sdn. Bhd. ("JWC") is independent of the activities audited and independent from day-to-day internal control processes. The internal audit staff are also free from any relationships or conflicts of interest, which could impair the objectivity and independence. The number of staff deployed for the internal audit reviews is normally two (2) to three (3) staff, including the director and managerial level position. Ms. Joyce Wong Ai May is the Executive Director of JWC. She is the lead internal auditor responsible for the internal audit of the Group. She graduated from the University of Tasmania with a Bachelor of Commerce, majoring in Accounting and Finance. She is an Accountant by profession, and a member of the Institute of Internal Auditors Malaysia, Malaysian Institute of Accountants and Certified Practising Accountants, Australia. The internal audit is carried out in accordance with the standards and best practices based on the International Professional Practices Framework, which is endorsed by the Institute of Internal Auditors Malaysia. Further details of the internal audit function are set out in the Statement on Risk Management and Internal Control and the Audit Committee Report in the Annual Report 2025.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	The Group recognises the value of transparent, consistent and coherent communications with the investment community consistent with commercial confidentiality and regulatory considerations. The Group aims to build long-term relationships with shareholders and potential investors through appropriate channels for disclosure of information. The annual reports, press releases, quarterly results and any announcements on material corporate exercises are the primary modes of disseminating information on the Group's business activities and financial performance. Investors are provided with sufficient business, operational and financial information on the Group to enable them to make informed investment decisions. The Group Managing Director is the designated spokesperson for all matters related to the Group and dedicated personnel are tasked to prepare and verify material information for timely disclosure upon approval by the Board. The Group maintains a website at www.cwgholdings.com.my for shareholders and the public to access information on, among others, the Group's background, products, financial performance, updates on its awards, recognitions and corporate news. Stakeholders can at any time seek clarification or raise queries through the corporate website, by email at cosec@cwgholdings.com.my. Primary contact details are set out on the corporate website.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

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

Practice 12.2

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	:		
		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

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	The notice of 8 th AGM in 2024 was sent to the shareholders at least twenty-eight (28) days prior to the meeting date.	
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	:	All the Directors attended the Extraordinary General Meeting ("EGM") held on 16 August 2024 and the 8 th AGM held on 27 November 2024.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	Applied	
Explanation on application of the practice	:	Owing to the overseas business commitments of certain Directors during the EGM held on 16 August 2024, the Company convened the EGM virtually through live streaming from a broadcast venue, with voting conducted electronically via the Remote Participation and Voting ("RPV") facilities. The RPV system was equipped with appropriate data privacy and security features to safeguard the integrity of the meeting and voting process.	
Explanation for 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

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 shareholders are invited to raise questions or seek clarification pertaining to the Company's financial performance, agenda and resolutions tabled before putting them for voting. All the Directors and senior management were present during the EGM and AGM to provide responses to the shareholders and ensure sufficient time was allocated for discussion. The Company has also dedicated an email: cosec@cwgholdings.com.my to which stakeholders can direct their queries or concerns.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>		
Application	:	Applied
Explanation on application of the practice	:	Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") was appointed by the Company to set up and manage the EGM held on 16 August 2024, ensuring the smooth conduct of the meeting through the RPV facilities. Tricor's online meeting platform enabled shareholders to register, participate and exercise their voting rights electronically during the fully virtual EGM. To guide shareholders, an Administrative Guide detailing the procedures for the virtual meeting was made available on the Company's website prior to the EGM. Shareholders were provided with the opportunity to submit questions in advance via the online platform. In addition, the RPV facilities allowed real-time submission of typed questions during the meeting, encouraging active and interactive participation. Questions raised by shareholders were made visible to all participants, ensuring transparency in the engagement process.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	The minutes of the EGM and 8 th AGM held on 16 August 2024 and 27 November 2024 are made available on the Company's website no later than thirty (30) business day after the meeting.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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

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

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