

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0178

COMPANY NAME : SEDANIA INNOVATOR 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 ("Board") of Sedania Innovator Berhad ("Sedania" or the "Company") recognises the key role it plays in charting the strategic direction of the Company. To ensure the effective discharge of its functions, responsibilities and stewardship role, the Board has delegated certain duties and responsibilities to various Board Committees, i.e. Audit and Risk Management Committee ("ARMC"), Nomination and Remuneration Committee ("NRC"), Employees' Share Option Scheme Committee ("ESOS Comm") and Sustainability Committee ("SusComm"). To ensure efficient discharge of its functions and duties, the Board's principal responsibilities included: 1. together with the senior management, promoted good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour; 2. reviewing and adopting a strategic business plan for the Company, including its goals and ensuring that the strategic business plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability; 3. supervising and assessing management performance and overseeing the conduct of the Group's business to evaluate whether the businesses are being properly managed; 4. identifying principal business risks faced by the Group and ensuring the implementation of appropriate internal controls and mitigating measures to address such risks; 5. setting the risk appetite within which the Board expects management to operate and ensure that there is an appropriate risk management framework to identify,

	analyse, evaluate, manage and monitor significant financial and non-financial risks; 6. ensuring that all candidates appointed to senior management positions are of sufficient calibre, including having in place a process to provide for the orderly succession of senior management personnel and members of the Board; 7. overseeing the development and implementation of a shareholder communications policy; 8. reviewing the adequacy and integrity of the Group's internal control and management information systems; and 9. ensuring that the Company adheres to high standards of ethics and corporate behaviour. The Board receives reports during its Board meetings from the Chairman of each Board Committee regarding the proceedings at their respective meetings. It is the overarching policy of the Company that all significant decisions undergo collective consideration by the Board. The Board Charter and Term of Reference ("TOR") for the respective Board Committees are available for viewing under the "Governance – Corporate Governance" section of the Company's website at www.sedaniagroup.com.	
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 Tun Dato' Seri Md Raus Bin Sharif who is an Independent Non-Executive Chairman of the Company. He is a respected professional who has many years of working experience and leads the Board by setting the tone at the top, and managing the Board's effectiveness by focusing on strategy, governance and compliance. The Chairman's primary responsibility is to provide leadership role in the conduct of the Board and the key primary responsibilities consist of the following:- a) to lead the Board and to ensure the effectiveness of all aspects of the Board's role; b) to lead the Board in adoption and implementation of good corporate governance practices; c) to ensure the efficient organisation and conduct of the Board's function and meetings; d) to promote constructive and respectful relations among Directors, and between the Board and Management; and e) to ensure that decisions are taken on a sound and well-informed basis, with all strategic and critical issues considered by the Board. The roles and responsibilities of the Chairman are outlined in the Board Charter, which is available for viewing under the "Governance – Corporate Governance" section of the Company's website at www.sedaniagroup.com.
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	:	In order to promote accountability, transparency and to uphold independent judgement in decision making, the positions of Chairman and Group Managing Director are held by two different individuals as both positions have distinct and separate roles and responsibilities. During the financial year ended 30 June 2025 ("FYE 2025" or the "Financial Year"), Tun Dato' Seri Md Raus Bin Sharif was appointed to the Board as Independent Non-Executive Director and subsequently be re-designated to Independent Non-Executive Chairman. The position of Managing Director was held by Datuk Noor Azrin Bin Mohd Noor. There is a clear separation of duties and responsibilities to ensure a balance of power and authority so that no one individual has unfettered powers of decision making. Generally, the Board Chairman will lead the Board in its collective oversight of Management, while the Managing Director has overall responsibilities over the Group's operational and business units, organisational effectiveness and implementation of Board policies, directives, strategies and decisions. The Board Chairman has never assumed an executive position in the Company. In addition, the Managing Director by virtue of his position as a Board member, also functions as the intermediary between the Board and Management. The specific roles and responsibilities of both the Chairman and Managing Director are delineated in the Board Charter which is available for viewing under the "Governance – Corporate Governance" section of the Company's website at www.sedaniagroup.com.
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

<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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Independent Non-Executive Chairman, Tun Dato' Seri Md Raus Bin Sharif is currently the Chairman of the ESOS Comm as well as the member of the ARMC, NRC and SusComm respectively.
	:	The Board recognised that having the same person assuming the position of the Board Chairman and member of the other Board Committees gives rise to the risk of self-review and may impair the objectivity of the Board Chairman as well as the Board when deliberating on the observations and recommendations put forth by the Board Committees.
	:	Nonetheless, in view that Tun Dato' Seri Md Raus Bin Sharif does not involve in the Company's managerial and operational matters, he is therefore able to exercise objective view and provides impartial suggestions, constructive ideas, independent advice and comments during the deliberations of the Board and Board Committees' meetings. The Company is of the view that the current composition of the Board and Board Committee are efficient and adequate to carry out the Board's fiduciary and other duties. The Company will assess the practicability of this Practice from time to time and work towards complying the same when necessary.
<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	:	The Board is currently supported by two (2) highly qualified and competent Company Secretaries. The Company Secretaries are the member of the Malaysian Institute of Chartered Secretaries and Administrators and are duly qualified to serve as Company Secretary under Section 235 of the Companies Act 2016. The primary responsibility of the Company Secretaries are to provide advice on governance matters, Board policies and procedures as well as requirements to be observed by the Company and the Directors arising from new statutes and guidelines issued by the regulatory authorities. The Company Secretaries ensure that discussions at Board and Board Committee meetings are well documented, and subsequently communicated to the relevant parties for appropriate actions. The Company Secretaries are constantly kept themselves abreast of the evolving capital market environment, regulatory changes and developments in corporate governance by attending relevant trainings from time to time. The Board has unrestricted access to the advice and support of the Company Secretaries in relation to the Board policies and procedures, compliance of applicable rules and regulations by the Group and Corporate Governance ("CG") related practices. The Board has expressed its satisfaction with the performance and support provided by the Company Secretaries in fulfilling their 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

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	:	Annual calendar of Board Meetings, Board Committees meetings and AGM is circulated in advance of the new financial year to facilitate the Directors in planning their meeting schedule for the year. Special Meetings of the Board and Board Committees are convened between the scheduled meetings to consider urgent matters that require expeditious decision or deliberation by the Board and Board Committees. Unless otherwise agreed, notice of each meeting confirming the venue, date, time and agenda of the meeting together with relevant meeting materials will be forwarded to each director at least seven (7) days before the date of the meeting. This is to allow time for the Directors to review the meeting materials and to facilitate full discussion at Board meetings. For the financial year, the Management continued leveraging on the usage of technology where meeting papers were circulated to the Directors in electronic form via email instead of distribution of hard copies prior to the Board and Board Committees' Meetings so as to accord sufficient time for the Directors to peruse the meeting paper. A full agenda and comprehensive meeting papers are circulated to all Directors at least five (5) business days prior to the meetings. The Company Secretary(ies) and/or their representatives attended all Board and Board Committees meetings and ensure that meetings are properly convened, accurate and proper records of the proceedings and resolutions passed during the meetings are taken and maintained accordingly, including Directors' abstention from deliberation and decision on related matters. Whenever necessary, key senior management or external advisors/consultants are also invited to attend Board and Board Committees meetings to provide further clarity on agenda items being discussed to enable the Board and Board Committees to arrive at a considered and informed decision. Minutes of meetings are circulated to all Board and Board Committees members in a timely manner and signed by the Board Chairman/Board Committee Chairman/Chairperson as a correct

	record of the proceedings of the meetings based on confirmation from all the Board/Board Committee members. The deliberations of the Board in terms of the issues discussed during the meetings and the Board's conclusions in discharging its duties and responsibilities were recorded and properly kept by the Company Secretary in the minutes book for record purposes.	
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	:	The Board has a Board Charter which clearly outlines the respective roles and responsibilities of the Board, Board Committees, individual directors and Management, as well as issues and decisions reserved for the Board, membership and operation of the Board, adopting principles of good CG and practice, in accordance with applicable laws in Malaysia. The Board Charter is applicable to all Directors of the Company and, amongst other things, provides that all Directors must avoid conflicts of interest between their private financial activities and their part in the conduct of company business. The Board Committees in performing their responsibilities delegated by the Board are guided by the TOR of the respective Board Committees as approved by the Board. Regular reviews of the Board Charter and TORs are conducted to ensure alignment with the latest development of the regulations and best practices. The Board Charter is available for viewing under the “Governance – Corporate Governance” section of the Company’s website at www.sedaniagroup.com.
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 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 is published on the company's website.

Application	:	Applied
Explanation on application of the practice	:	The Board has formalised a Code of Conduct and Business Ethics ("the Code") for its Directors and employees to promote an ethical framework, policies and conduct throughout the Group. The Code serves as a guidance on the standard of behaviour expected of all employees in discharging their duties and/or dealings with the Company to maintain high standards of business ethics and integrity. The guiding principles of the Code are as follows:- • Core values and culture; • Duties of good faith, fidelity, diligence and integrity; • Workplace culture and environment; and • Discipline, disciplinary processes and sanctions. All employees have been provided with the Code. As part of the enforcement process, all employees are required to declare that they will adhere to the provisions of the Code. The Code is available for viewing under the "Governance – Corporate Governance" section of the Company's website at www.sedaniagroup.com.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	The Board values the importance of transparency and consistency in communication with all the stakeholders, while taking into account critical commercial confidentiality and regulatory considerations. Pursuant to this objective, the Group has in place a whistleblowing policy ("Policy") which provide an avenue for all employees of the Group and members of the public to report genuine concerns or issues including but not limited to, reporting of fraudulent financial information, actual or suspected fraud, misappropriation of monies, misrepresentation, concealment of facts or information with the intention to mislead, violation of laws and regulations, endangerment of employees or public health and safety, violation of Company policies, taking or giving kickbacks, bribes, favours, privileges, criminal offences, blackmailing, amongst others. Any employee who has reasonable belief that there is serious malpractice relating to the matter disclosed, may direct such complaint and report through the following formal reporting channels:- (1) Open Door Discussion Employees are encouraged to raise any issues to the next level of management directly with their immediate managers, or the Group's Compliance Officer, if any employee has reason to believe that his/her manager is involved or has a conflict of interest. Third parties can directly contact the appropriate business managers at the Group to lodge any report in relation to this Policy. The Management in receipt of the report will document it through an open-door intake form and lodge the intake form to the Group's Compliance Officer which then will be forwarded to the Chief Executive Officer and ARMC to review and further investigation, to maintain a centralised incident management database. (2) E-mail Whistleblowers may report any issues via the Group's public whistleblowing email at whistleblowing@sedaniagroup.com.

	The Management will ensure that any employee of the Group who raises a genuine complaint in good faith shall not be penalised for such disclosure and the identity of such complainant shall be kept confidential. The Policy is available for viewing under the "Governance - Corporate Governance" section of the Company's website at www.sedaniagroup.com. For FYE 2025, there was no reported whistleblowing matter. Anti-Bribery and Corruption Policy ("AB & C Policy") In line with the amendment to the ACE Listing Requirement ("LR") of Bursa Malaysia Securities Berhad ("Bursa Securities") to encapsulate anti-corruption measures in support of the National Anti-Corruption Plan 2019-2023 of Malaysia, the Board had established and adopted the AB &C Policy in which the Group is committed to conducting the business ethically, as well as complying with all applicable laws, which include compliance with the Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and any of its amendments or reenactments that may be made by the relevant authority from time to time. The AB & C Policy provides principles, guidelines and requirements on how to deal with bribery and corrupt practices that may arise in the course of daily business and operation activities within the Group. This AB & C Policy applies to all individuals working for the Group and all companies within the Group at all levels and grades, the Board and any third party associated with the Group. The AB & C Policy is available for viewing under the "Governance – Corporate Governance" section of the Company's website www.sedaniagroup.com.	
Explanation for departure :		
	<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :		
Timeframe :		

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board recognises that as sustainability and its underlying environmental, social and governance issues become increasing material to the ability of companies to create durable and sustainable value and maintain confidence of their stakeholders, the Board leadership and oversight has integrated sustainability considerations in its corporate strategy, governance and decisionmaking. In line with strengthening sustainability and providing more comprehensive and strategic oversight of the Group's economic, environmental, social and governance ("EESG") matters, the Group had established a Board level SusComm effective from February 2022 which shall be responsible for developing an effective response towards material EESG matters to sustain and improve financial values created for stakeholder. Moreover, the SusComm also strategises the progressive immersion of sustainability within the organisational culture, business model, business strategies and business processes including risk management and mitigation. The composition of the SusComm comprises four (4) members, which three (3) members are Independent Non-Executive Directors ("INEDs") and one (1) member is an Executive Director. The Chairman and the Board provides oversight over sustainability in the Group as well as the Group's operations as a whole in regard to the EESG related matters while the Managing Director and the Executive Director manage the implementation of sustainability in the Group's business divisions, assisted by members of key senior management. They enforce Sedania's sustainability strategy from the top management to operations level, and the progress and performance of the Group's sustainability plans are reported back to the command of chain to ensure a sound decision making for sustainability. The Group strives to operate a socially, ethically and environmentally-sound business across the value-chain, which is

	aligned with the Group's strategy for long-term profitability and economic prosperity. In pursuing this ambition, the Group remain resolved to undertake the responsibility to meet and solve customer challenges and market needs.	
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 solid alliances with stakeholders have enabled the Company to grow from strength to strength, and it is key in driving sustainability of Company with regular engagement, communication and obtaining feedbacks and/or opinions from the stakeholders. While formulating the sustainability agenda, the Group is constantly in engagement with the stakeholders to understand their evolving needs and expectations. These processes provide the Board and Management with insights for decision-making on the Group’s business and sustainability strategies. Sedania defines stakeholders as individuals or groups who are impacted by, or have the potential to impact the Group’s operations, financial performance and reputation. The Group have identified its key stakeholders based on their ability to impact the Group’s business activities as well as their interests in the Group. To facilitate stakeholder engagement, the Group employ a range of communication methods, including meetings, media publications, events, reports, and other forms of outreach to streamline its stakeholder engagement efforts. The corporate website is regularly updated with the latest news, financial results, press releases, reports, and Board developments, ensuring that stakeholders can access up-to-date information about Sedania in a timely and accessible manner. A summary of Sedania’s stakeholder management approach is presented in the table below:- <table><tr><th>Stakeholders</th><th>Engagement Methods</th><th>Frequency</th></tr><tr><td>Shareholders & investors</td><td> - AGM - Quarterly & Annual Reports - Periodic announcements - Investor briefings - Electronic communication/ emails </td><td> - Annually - Quarterly/ Annually - Ad Hoc - Ad Hoc - Ad Hoc </td></tr><tr><td>Customers</td><td> - Electronic communication - Project Management </td><td> - Throughout the year - Throughout the year </td></tr></table>	Stakeholders	Engagement Methods	Frequency	Shareholders & investors	- AGM - Quarterly & Annual Reports - Periodic announcements - Investor briefings - Electronic communication/ emails	- Annually - Quarterly/ Annually - Ad Hoc - Ad Hoc - Ad Hoc	Customers	- Electronic communication - Project Management	- Throughout the year - Throughout the year
Stakeholders	Engagement Methods	Frequency								
Shareholders & investors	- AGM - Quarterly & Annual Reports - Periodic announcements - Investor briefings - Electronic communication/ emails	- Annually - Quarterly/ Annually - Ad Hoc - Ad Hoc - Ad Hoc								
Customers	- Electronic communication - Project Management	- Throughout the year - Throughout the year								

		- Advertisement and marketing promotions - Corporate website/ Social Media	- Throughout the year - Throughout the year
	Suppliers/ Vendors/ Contractors	- Townhalls - Departmental meeting - Teambuilding events & festive celebrations - Appraisals, performance review/incentives e.g. ESOS - Electronic communication/ email	- Ad Hoc (2-3 times a year) - On going - Ad Hoc - Yearly - Throughout the year
	Government/ Regulatory Authorities	- Statutory contributions - Income tax filing - Annual return - SST Reporting - Local authorities	- Monthly - Annually - Semi-Annually - Bi-monthly - Ad Hoc
	Media	- Media events - Press interviews/ release	- Ad Hoc/ As needed
	Local communities	- Community engagement - CSR Programmes: championing local causes and charities, staff volunteering, environmental initiatives to minimise local pollution	- Ad Hoc - Ad Hoc
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 possesses comprehensive knowledge and understanding of sustainability issues pertinent to the Company and its operations, enabling it to fulfill its responsibilities effectively. The Board remains committed to staying informed about sustainability matters related to the evolving business environment. During the financial year, the Company Secretary has updated the Board on the changes of the LR of Bursa Securities which are relating to information on sustainability issues including climate-related risks and opportunities. Both the Board and management actively promote sustainability elements within the business, demonstrating the Company's ongoing commitment to developing and enhancing sustainable practices and initiatives. Further details are provided in the Sustainability Statement of 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

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	:	During the financial year, the NRC had completed the Board and Board Committee Evaluation Form with inclusion of the criteria on how the Board addressed the material sustainability risks and opportunities. However, the performance evaluation of Senior Management of the Group has yet to adopt such sustainability criteria.	
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	:	A designated person namely Mr Dave Pang, the Director of Corporate Communication of the Company, has been appointed by the Company to provide dedicated focus to manage sustainability strategically in the operations of the Company.

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 take cognisance on the importance of having the right group of people, with an appropriate mix of skills, knowledge and experience and independence elements that fit the Company's objectives and strategic goals. The NRC reviews the size and the composition of the Board in respect of the mix of skills and independence annually. In accordance with the TOR of the NRC, the NRC is tasked to review and recommend to the Board, candidates for all directorships to be filled by the shareholders or the Board after taking into consideration the candidates' skills, knowledge, expertise and experience, time commitment, character, competence, professionalism and integrity. For the position of independent non-executive directors, the NRC should also evaluate the candidates' ability to discharge such responsibilities as expected from independent non-executive director. To ensure a candidate for nomination, election or re-election as a Director of the Company fulfil the fit and proper criteria, the Board had on 30 May 2022 adopted a Directors' Fit and Proper Policy to serve as a guide to the NRC and the Board in their review and assessment of those candidates. The NRC assesses the performance of Directors who are subject to re-election at the AGM and upon satisfactory evaluation of the Directors' performance and contribution to the Board, recommendation will be submitted to the Board for decision to table the resolution on the re-election of the Directors concerned for shareholders' approval at the AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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	:	More than half of the Board members are Independent Non-Executive Directors.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied	
Explanation on application of the practice	:	There are no Independent Directors serving beyond a cumulative term of nine years during the financial period. The Board Charter explicitly mentioned that the tenure of an Independent Director shall not exceed a cumulative term limit of nine (9) years. Should the Board intend to retain an Independent Director beyond nine years, the Board shall undertake a rigorous review to determine whether the "independence" of the Director had been impaired. The findings from the review shall be disclosed to shareholders for them to make an informed decision, which is decided by way of two-tier voting process in seeking annual shareholders' approval to retain such an Independent Director beyond nine (9) years.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

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

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	The NRC is tasked with identifying and recommending candidates for senior management positions and new Directors to the Board. When selecting new members for the Board and senior management, the NRC considers various factors, including integrity, independence, and diversity in age, gender, ethnicity, and experience. Additionally, leadership capabilities and the ability to exercise sound judgment relevant to the Company's business are crucial criteria. The NRC ensures that new appointees have the appropriate experience and knowledge to effectively fulfill the responsibilities of their roles as Directors and senior management. This comprehensive evaluation process helps to maintain a high standard of governance and leadership within the Company.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied	
Explanation on application of the practice	:	The NRC holds the primary responsibility for screening, evaluating, and nominating new Board members for appointment. The nomination process and criteria utilized by the NRC are outlined in the TOR of the NRC.	
		In determining the process for identifying suitable candidates, the NRC ensures a thorough review is conducted to assess the qualifications and suitability of the nominated candidates.	
		When necessary, members of the NRC shall meet with the potential candidates to conduct assessments of their suitability for the position. This comprehensive process ensures that individuals selected for Board appointments possess the requisite qualifications and capabilities to contribute effectively to the Company's governance and strategic direction.	
		Nominations may also come from a wide variety of sources, including Directors, senior employees of the Group, customers, shareholders, industry associations, recruiting firms and others.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	The profile of the Directors, including their age, gender, interest, position, qualification, membership, experience and others are set out in the Directors' profile in the Annual Report 2025. The performance of the retiring directors is assessed by the NRC and Board before recommendation is made to the shareholders for consideration. For independent directors, the NRC has also assessed their independency to ensure that they will continue to maintain independent throughout the year and shall act in the best interest of the Company. Having satisfied with the performance of the Retiring Directors, the NRC and in turn, the Board has recommended to the shareholders, the re-election of the Retiring Directors at the forthcoming 11th AGM. A statement on the re-appointment of the retiring directors were also be included under the explanatory notes in the Notice of the AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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 is chaired by Mr Yoong Weng Hong Peter Andrew, who is an Independent Non-Executive Director of the Company.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Board currently has one (1) woman Director, equivalent to 17% women representation on Board. The Board is satisfied with the current composition of its member and is of the view that the Board is able to discharge its duties effectively with the current mix of skills, knowledge, experience and strength. The Board recognises the benefit of gender diversity and affirmed that gender diversity will be one of the criteria to be considered by the NRC during their evaluation process on potential candidates(s) for Board memberships.
		Alternative Practice:- The Board is of the view that everyone who is qualified shall be given fair and equal treatment. However, the Board is committed to progressively diversify the Board towards attaining 30% women representation. The issue of diverse perspective and insight could still be attained with the presence of one (1) female Director on Board during the board decision making process. She has been actively participated in the board discussion process, by contributing her ideas, experience and expertise in the financial reporting process. As such, the Board believes that the intended outcome could still be met.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.10

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Board is cognisant of the gender diversity recommended by MCCG and believes that diversity in the Board's composition will bring values to Board deliberation. The Board does not have a specific policy on gender, ethnicity and age group for candidates to be appointed to the Board and does not have specific policy on setting target for female candidates in the workplace. The Board is of the view that all candidates shall be given fair and equal treatment. Alternative Practice:- The Board acknowledges the importance of boardroom diversity and views that while promoting boardroom diversity is essential, the normal selection criteria based on competencies, skills, extensive experience and knowledge to strengthen the Board should remain a priority.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>		
Application	:	Applied
Explanation on application of the practice	:	The Board, Board Committees and individual Directors are assessed annually by the NRC and the Directors collectively on the following: • Effectiveness of the Board as a whole; • Contribution and performance of each individual Director; • Contribution and performance of each of the Board Committees (i.e. ARMC, NRC and SusComm); and • Independence of the Independent Non-Executive Directors. Annual assessments are conducted and each of the Directors is given the opportunity to provide feedback on the effectiveness of the Board as a whole and the individual performance and contribution to the Board. The results of all the assessments are then collated by the help from Company Secretaries and tabled to the NRC for deliberation and Board for notation. Following the evaluation, the NC will conclude if the Board as a whole and its committees were effective with the necessary skills, experience and qualification and if the current composition and performance of the Board are satisfactory. The NRC is satisfied with the effectiveness of the Board and the Board Committees based on the annual assessments conducted for FYE 2025. The results of the assessment were affirmed by the Board.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	There is no formal Group policy determining Board's and Senior's Management remuneration. The Board has established a formal and transparent process for approving the remuneration of the INEDs and Executive Directors ("EDs"), whereby the NRC is responsible to oversee the function of remunerating the Board in a manner that attracts, retains and motivates Director and recommending the remuneration package of Directors and members of the senior management to the Board. The NRC carries out reviews when appropriate and refers to remuneration surveys and consultants to assist in determining the appropriate level of reward which is competitive and consistent with the corporate objectives. The Board approves and recommends the remuneration of the INEDs, EDs and senior management annually based on the NRC's review and recommendations.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	The NRC comprising four (4) INEDs that assist the Board in reviewing and recommending the proposed remuneration packages of Directors and senior management of the Company. The NRC's authority and duties as well as functions are clearly defined in the TOR of the NRC, which is available for viewing under the "Governance – Corporate Governance" section of the Company's website at www.sedaniagroup.com.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	Detailed disclosure of individual director remuneration is provided in the table below.

No	Name	Directorate	Company							Group						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tun Dato' Seri Md Raus bin Sharif (Appointed on 2 August 2024)	Independent Director	77,600	11,000	-	-	6,136	-	94,736	77,600	11,000	-	-	6,136	-	94,736
2	Datuk Noor Azrin Bin Mohd Noor	Executive Director	-	-	960,000	-	6,136	193,334	1,159,470	60,000	-	960,000	-	6,136	193,334	1,219,470
3	Datuk Noor Syafiroz Bin Mohd Noor	Executive Director		-	480,000	-	61,336	97,334	638,669	-	-	480,000	-	61,336	97,334	638,669
4	Norliza Binti Kamaruddin	Independent Director	48,000	17,000	-	-	6,136	-	71,136	48,000	17,000	-	-	6,136	-	71,136
5	Yoong Weng Hong Peter Andrew	Independent Director	48,000	9,000	-	-	6,136	-	63,136	48,000	9,000	-	-	6,136	-	63,136
6	Dato' Nasri Bin Nasrun	Independent Director	48,000	17,000	-	-	6,136	-	71,136	48,000	17,000	-	-	6,136	-	71,136
7	Tan Sri Abdul Halim Bin Ali (Retired on 22 November 2025)	Independent Director	44,000	8,500	-	-	6,136	-	58,636	44,000	8,500	-	-	6,136	-	58,636

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 remuneration of senior management is not disclosed on named basis for confidentiality reason as it may be detrimental to the interest of the Company and individuals. The Board feels that it is inappropriate to disclose the remuneration of Senior Management and has opted not to do so, in view of the competitive nature of the human resource market and to support the Company's efforts in attracting and retaining executive talents. The Board is of the view that, given that such disclosure will give rise to recruitment and talent retention issues, it is in the best interests of the Company not to disclose the remuneration of its top five Senior Management on a named basis. Alternative Practice: The Board vide the NRC will ensure that the remuneration of senior management is fair and commensurate with the performance of the Company and the contribution made by the Senior Management. Secondly, the remunerations of Directors are disclosed on a named basis. As such, the Board believes that the intended outcome could still be met in view that the recruitment/ removal of senior management personnel falls under the authority of the Managing Director and subject to the review by the NRC as well.	
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	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	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	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The ARMC is chaired by Dato' Nasri Bin Nasrun, the Independent Non-Executive Director. He is not the Chairman of the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Group recognises the importance of independence of its external auditors and that no possible conflict of interest whatsoever should arise. Currently, none of ARMC members is a former audit partner of the Company’s external auditors. The Company will observe a cooling-off period of at least 3 years in the event any potential candidate to be appointed as a member of the ARMC. The TOR of the ARMC is available for viewing under the “Governance– Corporate Governance” section of the Company’s website at www.sedaniagroup.com.	
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 has policies and procedures to assess the suitability, objectivity and independence of external auditors taking into account relevant professional and regulatory requirements and the relationship with the auditors as a whole, including the provision of any non-audit services. The ARMC reviews the re-appointment, performance, and remuneration of the external auditors annually before recommending them to the Board to put forward to the shareholders for re-appointment in AGM. An assessment has been carried to review the external auditors performance for the financial period ended 30 June 2024. The assessment included of the following components:- a) assessing the external auditor's independence; b) assessing the external auditor's performance, quality of work and audit fees; and c) adequacy of resources. Throughout the annual assessment, ARMC has concluded that the current external auditors meet the independency criteria and are competent to carry out the audit works for the next financial year. The ARMC also recommended the re-appointment of the external auditors for the shareholders consideration at the forthcoming 11th AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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	:	Currently, the ARMC comprises of three (3) members. All of whom are Independent Non-Executive Directors.

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	All ARMC members are financially literate and are able to understand matters under the purview of the ARMC including financial reporting process. The qualification and experience of the individual ARMC members are disclosed in the profile of Board of Directors in the Annual Report 2025. All members of the ARMC undertake continuous professional development to ensure that they are abreast of relevant developments in accounting and auditing standards, practices, and rules. A summary of training programmes, conferences and seminars attended by ARMC members during the financial period is set out under CG Overview Statement section 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

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

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

Practice 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Board has established a framework for risk management and internal control, which the features of the framework are disclosed in the Annual Report 2025, outlines the nature and scope of risk management and internal control of the Group and covers all the Group's operations. On 29 February 2016, the Audit Committee was renamed to Audit and Risk Management Committee with an enhanced role of risk management oversight. The Board has delegated to ARMC the task of undertaking a periodic review of the effectiveness, adequacy and integrity of the Group's risk management framework and internal control systems. The ARMC will supervise the related framework and policies and continuously assessing on their adequacy and effectiveness. In addition, the Internal Auditors will assess on the effectiveness of the risk management and internal control framework of the Group and suggest for improvements 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

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 adopted a systematic approach to oversee the actual performance and provides guidance to the Management on measures to improve the business performance and minimise risk impacts. The Group has adequate and effective risk management framework and a sound internal control system in place. Management, internal auditors and external auditors of the Company conduct reviews and audits on a regular basis that involve testing of the adequacy and effectiveness of material internal controls on key risks. Any material non-compliance or lapses in internal controls and its corresponding mitigating actions will be reported to the ARMC. Based on the audit findings and recommendations presented by the internal auditors and external auditors, the Board, with the assistance from the ARMC, will review the adequacy and effectiveness of the Company's risk management and internal control systems, including financial, operational, compliance and information technology risks, in order to enhance the Group's internal control. The features of the Group's risk management and internal control framework are disclosed in the Statement of Risk Management and Internal Control 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

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	:	On 29 February 2016, the Audit Committee was renamed to Audit and Risk Management Committee. The ARMC, comprised solely of independent directors, has taken the role to oversee the risk management function together with the management.

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 Group's internal audit ("IA") function is carried out by an outsourced internal audit firm which is independent of the activities of audits, namely Talent League Sdn. Bhd. (the Internal Auditor). The Internal Auditor reports directly to the ARMC and has unrestricted access to all functions, records, documents, personnel, or any other resources or information, at all levels throughout the Group. During the financial year, the internal auditor conducted periodic reviews in line with the approved internal audit plan to monitor compliance with the Group's procedures and to evaluate the adequacy and effectiveness of the Group's risk management and internal control systems. Having reviewed and assessed the adequacy of the scope, functions, competency and resources of the IA function of the Group, the ARMC and the Board are satisfied with the performance of the outsourced Internal Auditors and have in the interest of greater independence and continuity in the IA function, decided to continue with the outsourcing of the IA function. Further Details of the internal audit function are set out in the ARMC 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

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 Group's internal audit function is outsourced to a professional services firm namely Talent League Sdn Bhd ("the Internal Auditors"), headed by Mr. Hong Cheong Liang, CA(M), CPA(AUS), CMIIA. He has vast experience and exposure in the field of Internal Audit. A total of three (3) staff members were deployed for the internal audit reviews during the year under purview. The internal audit reviews were conducted using a risk-based approach and were guided by the International Professional Practice Framework. The Internal Auditors report directly to the ARMC and are provided full access to all the documents relating to the Company and Group's Governance, Financial and Operational aspect divisions. None of the internal audit personnel has any relationships or conflict of interest that could impair their objectivity and independence in conducting their internal audit functions. None of the persons involved have any family relationship with the Directors or Company which could result in the conflict of interest and/or impairment of the objectivity and independence during the internal audit 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

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	:	(a) Corporate disclosures/ Investor relations The Company is committed to ensure that all information such as corporate announcements, circulars to shareholders (if any) and financial results are disseminated to the general public in a timely and accurate manner. The Company releases all announcements, material and price sensitive information in a timely manner to Bursa Securities as required under the ACE LR of Bursa Securities as well as releases the Company's updates to the market and community through the Company's website, media releases and other appropriate channels. The EDs authorise and responsible for approving the release of all major communications to the regulators, shareholders and stakeholders. (b) Corporate website To further enhance communication with investors and shareholders, the Company has an "Governance" section on the Company's website at www.sedaniagroup.com which provides a platform for the shareholders and potential investors to direct their enquiries on the Company. (c) AGM/General Meeting Another key avenue of communication with its stakeholders is the general meeting of the Company, which provides a useful forum for shareholders to engage directly with the Company's Directors. During the general meeting, shareholders or proxies appointed by the shareholders are at liberty to raise questions or seek clarification on the agenda items of the general meeting from the Company's Directors. The Chairman and/or any Directors will avail themselves to provide responses to any questions raised by shareholders at the general meetings.
Explanation for departure	:	

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

Intended Outcome

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

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

Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Notice of the 10th AGM was circulated at least 28 days prior to the date of the meeting, well in advance of the notice period of 21 days as required under Section 316(2) of the Companies Act, 2016 and Ruloe 7.15 of the ACE LR of Bursa Securities. By doing so, shareholders have sufficient time to prepare and consider the resolutions that will be discussed and decided at the AGM and will be able to make informed decision when exercising their voting rights at the AGM .	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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 the primary platform for engaging with shareholders. Attendance of all directors, particularly the Chairman is mandatory in the AGM. They are expected to actively contribute to the shareholders on their questions. All the Directors were present at the 10th AGM of the Company held physically on 22 November 2024 to engage directly with the shareholders and be accountable for their stewardship of the Company. The proceedings of the 10th AGM included the presentation of financial statements to the shareholders, and a question and answer session in which the Chairman of the AGM would invite shareholders to raise questions on the Company's financial statements and other items for adoption at the AGM, before putting a resolution to vote. The EDs ensure that sufficient opportunities are given to shareholders to raise issues relating to the affairs of the Company and that adequate responses are given. Additionally, the external auditors and the key senior management of the Company are invited to provide their professional clarification and respond to the queries that raised by the shareholders.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate—

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

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The 10th AGM of the Company was held physically within Klang Valley and not in remote location. As an alternative practice, the Company has made the following arrangements: - (1) <u>Venue of 10th AGM at Klang Valley</u> Based on an analysis of the shareholders as at 14 November 2024, the Company noted that substantial number of shareholders of the Company are located in the Klang Valley. Therefore, the venue of the 10th AGM has been fixed at a central location in Petaling Jaya, with easily accessible transportation links to ease the shareholders' attendance. (2) <u>Appointment of Proxy(ies)</u> For shareholders who are not able to attend the 10th AGM, they are allowed to appoint any person(s) as their proxies to attend, participate, speak and vote in his/her stead at the 10th AGM. Shareholders who are unable to attend the 10th AGM and yet wishes to exercise their votes was encouraged to appoint the Chairman of the Meeting to vote on their behalf by indicating the voting instruction in the Proxy Form. (3) <u>Electronic Communication</u> As stated in the Notice of 10th AGM, the Company has leverage on technology to publish the said Notice and Proxy Form on the corporate website of the Company. The submission of proxy forms could now be made vide any mode which is of most convenient to them, be it in hard copy form or in electronic form.

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 13.4

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	:	During the 10th AGM, the Chairman facilitated meaningful interactions between the Board, senior management and shareholders. The Company's 10th AGM is attended by all members of the Board, the Company Secretary and all members of the Senior Management Team. Shareholders were allowed to submit their questions electronically through the online platform provided by the share registrar, Tricor via its TIH Online website at https://tiih.online prior to the AGM, and the Board endeavoured to answer the questions received at the 10th AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Readers 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.

<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 outcome of the 10 th AGM was announced to Bursa Securities immediately upon the conclusion of the 10 th AGM. The Minutes of the 10 th AGM were circulated to shareholders via the company's website no later than 30 business days after the general 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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