

## **CORPORATE GOVERNANCE REPORT**

**STOCK CODE** : 7173  
**COMPANY NAME** : TOYO VENTURES HOLDINGS BERHAD  
**FINANCIAL YEAR** : March 31, 2025

### **OUTLINE:**

#### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

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

#### **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Directors ("Board") of Toyo Ventures Holdings Berhad ("TVHB" or "the Company") is collectively responsible for the leadership, oversight, and securing the long-term success of TVHB and its subsidiaries ("Group"). The responsibility entails guiding the Group towards generating sustainable value for its stakeholders while upholding rigorous governance standards. The Board members are expected to demonstrate exemplary stewardship, professionalism, and alignment with the Group's principles, all while fulfilling their fiduciary obligations.</p> <p>Additionally, the Board is responsible for overseeing that the Management maintains a robust governance system and internal controls. This is to ensure operations are carried out effectively and efficiently, maintain internal control standards, and comply with all relevant laws and regulations.</p> <p>In discharging its fiduciary duties and leadership functions, the Board is guided by the Board Charter, which outlines the duties and responsibilities of the Board, matters reserved for the Board as well as those which the Board may delegate to the Group Managing Director and Executive Director of the Company. For the effective function of the Board, the Board established the following Board Committees to assist in the execution of its responsibilities:</p> <ul style="list-style-type: none"><li>• Audit and Risk Management Committee ("ARMC");</li><li>• Nomination Committee ("NC"); and</li><li>• Remuneration Committee ("RC").</li></ul> <p>The Board Committees report to the Board on matters deliberated and their recommendations thereon. The ultimate responsibility for the final decision on all matters, however, lies with the Board.</p>

	In discharging its responsibilities, the Board is also guided by the Code of Conduct and Ethics. The Directors of the Company have to declare immediately to the Board should they be interested in any transaction to be entered into directly or indirectly within the Group.			
<b>Explanation for departure</b>	:			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>				
<b>Measure</b>	:			
<b>Timeframe</b>	:	<table border="1"> <tr> <td></td><td></td></tr> </table>		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Chairman of the Board, Tuan Haji Ir. Yusoff Bin Daud (“Tuan Haji”), holds a Non-Independent Non-Executive position, provides leadership and guidance to the Board and is responsible for ensuring the effectiveness of the Board’s performance. He leads the rest of the Board members in forming policies and strategies to align the business activities driven by the management team.</p> <p>The roles and responsibilities of the Chairman of the Board are specified in the Board Charter. The Chairman is assisted by the Company Secretary in setting the meeting calendar and ensures that Board members receive complete and accurate information in a timely manner.</p> <p>The Chairman leads the board meeting sessions and discussions and deliberations are conducted in an efficient manner. The Chairman promotes a boardroom environment that is conducive to allow for expressions of views, discussions and effective debate. In a situation of differing opinions amongst the members of the Board, the Chairman provides his unbiased views and decisions to resolve the issued concerned.</p> <p>The Chairman leads the Board and Company to adhere to all relevant laws and regulations in pursuance of good corporate governance best practices.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The roles of the Chairman and the Group Managing Director ("Group MD") are held by two (2) different individuals, namely Tuan Haji Ir. Yusoff Bin Daud and Mr. Chew Cheong Loong respectively. This separation ensures a clear division of responsibilities, enhances accountability and promotes independent decision-making by the Board.</p> <p>There is a well-defined separation of duties between the Chairman and the Group MD, as outlined in the Company's Board Charter, which ensures a balanced distribution of power and authority and supports effective governance.</p> <p>The Non-Independent Non-Executive Chairman is responsible for leading the Board and ensuring its effectiveness, proper conduct and sound governance. The Board has delegated the responsibilities for the day-to-day management of the Group's operations and business as well as the implementation of the Board's policies and decisions to the Group MD, Executive Director ("ED") and Key Senior Management of the Company. The Group MD and ED are entrusted with overseeing the Group's business operations and optimising the use of its resources in line with the Board's directives.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Chairman of the Board, Tuan Haji Ir. Yusoff Bin Daud, is not a member of the ARMC, NC and RC of the Company.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>During the financial period ended 31 March 2025 ("FPE 2025"), the Corporate Secretarial functions of the Company were outsourced to T&amp;S Secretarial Services Sdn. Bhd. The Company Secretary worked together with the Management to ensure timely and appropriate information flow to the Board and Board Committees.</p> <p>On 1 April 2024, the Company appointed Cospec Management Services Sdn. Bhd. ("CMS") to assume the corporate secretarial functions of the Company.</p> <p>The Board is supported by two (2) Company Secretaries nominated by CMS who are experienced and qualified to act as company secretaries under Section 235(2) of the Companies Act 2016 ("Act") and are registered holders of the Practicing Certificate issued by the Companies Commission of Malaysia. All Directors have access to the advice and services of the Company Secretaries.</p> <p>The Board acknowledges that the Company Secretaries play an important role and will ensure that the Company Secretaries fulfil the functions for which they have been appointed.</p> <p>The Company Secretaries play an important role in facilitating the overall compliance with the Act, Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), Malaysian Code on Corporate Governance ("MCCG") and other relevant laws and regulations. The Company Secretaries also assist the Board and Board Committees to function effectively and in accordance with their TOR and best practices and ensure adherence to the existing Board policies and procedures. In order to discharge the roles effectively, the Company Secretaries have been continuously attending the necessary training programmes, conferences or seminars organised by relevant authorities and/or professional bodies to keep themselves abreast with the latest developments in the corporate governance realm and changes in regulatory requirements that are relevant to her profession and enable her to provide the necessary advisory role to the Board.</p>

	Overall, the Board is satisfied with the service and support rendered by the Company Secretaries and their team to the Board in the discharge of their functions.			
<b>Explanation for departure</b>	:			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>				
<b>Measure</b>	:			
<b>Timeframe</b>	:	<table border="1"> <tr> <td></td><td></td></tr> </table>		



**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>To facilitate the Directors' time planning, an annual meeting calendar is prepared in advance of each new year by the Company Secretaries. The meeting calendar provides the Directors with scheduled dates for meetings of the Board and Board committees as well as the annual general meeting ("AGM"). The closed periods for dealings in securities by Directors and principal officers based on the scheduled dates of meetings for making announcements of the Group's quarterly results were also provided therein.</p> <p>The notices of the Board and Board Committees meetings together with the meeting papers are generally furnished to the Directors at least five (5) business days prior to the dates of meetings. This is to ensure that the Directors have sufficient preparation time and information to make an informed decision at each meeting.</p> <p>In the intervals between scheduled Board and Board Committees meetings, for exceptional matters requiring urgent Board decisions, Board and Board Committees decisions are obtained via additional adhoc meetings convened or Directors' written resolutions which are supported with board papers, providing information necessary for the Board and Board Committees' deliberation to ensure the Directors can make informed decisions. All written resolutions approved by the Board will be tabled for notation at the next Board Meeting.</p> <p>The deliberations and conclusions of matters discussed in the Board or Board Committees meetings are duly recorded in the minutes of meetings. The draft minutes are circulated for the Board or Board Committee Chairman's review within a reasonable timeframe after the meetings. The minutes of meetings accurately captured the deliberations and decisions of the Board and/or the Board Committees, including whether any Director abstains from voting or deliberating on a particular matter. All the records of proceedings and resolutions passed are kept at the registered office of the Company.</p> <p>For matters which require the Board's decision on an urgent basis outside of Board Meetings, relevant supporting documents along with the Directors' Written Resolution will be circulated for the Board's consideration. All written resolutions approved by the Board will be tabled for notation at the next Board Meeting.</p>

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

**Intended Outcome**

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

**Practice 2.1**

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has formalised and adopted a Board Charter which sets out the Board's composition and balance, roles and responsibilities, as well as its operation and processes. Key matters reserved for the Board's approval include managing conflict of interest issues, approval of material acquisitions and disposal of assets, corporate plans, annual budgets, new ventures, authority level, dividend policy and significant treasury policies. The Board Charter also serves as a key reference document and primary induction literature, providing valuable insights to newly appointed Board members.</p> <p>The Board Charter serves as a guiding literature to the Board in the fulfilment of its fiduciary and leadership functions.</p> <p>The Board Charter is reviewed and updated as necessary to ensure it remains consistent with the Board's objectives and responsibilities, and reflects the latest compliance requirements arising from changes in the regulatory framework.</p> <p>The Board Charter is available at the Company's website at <a href="http://www.toyoventures.com.my">www.toyoventures.com.my</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

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

**Practice 3.1**

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Group has established a Code of Ethics and Conduct which applies to all Directors, Management and employees of the Group.</p> <p>This Code of Ethics and Conduct sets out the principles and standards of business ethics and conduct of the Group. The Code covers managing conflicts of interest, confidential information, insider information and securities trading, protection of assets and funds, business records and control, compliance with law, personal gifting, health and safety, sexual harassment, outside interest, fair and courteous behaviour and misconduct.</p> <p>The Code of Ethics and Conduct will be reviewed from time to time to ensure the information remains relevant and appropriate. The Code of Ethics and Conduct is available on the Company’s website at <a href="http://www.toyoventures.com.my">www.toyoventures.com.my</a>.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

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

**Practice 3.2**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group has established a Whistleblowing Policy to uphold the Group's effort and commitment in doing business with ethics of honesty and integrity, henceforth, providing a transparent and confidential process in handling the whistleblowing reports.</p> <p>The Whistle Blowing Policy provides a clear and confidential mechanism for all employees and stakeholders (shareholders, customers and suppliers) of the Group, as well as members of the public to report or disclose any violations or wrongdoings that may be observed in the Group without fear of retaliation should they act in good faith when reporting such concerns.</p> <p>The Whistle Blowing Policy of the Group covers amongst others:-</p> <ul style="list-style-type: none"> <li>(a) Fraud;</li> <li>(b) Corruption, bribery or blackmail;</li> <li>(c) Criminal offences;</li> <li>(d) Failure to comply with a legal or regulatory obligation;</li> <li>(e) Miscarriage of justice;</li> <li>(f) Conflict of interest;</li> <li>(g) Sexual harassment;</li> <li>(h) Misuse of confidential information; and</li> <li>(i) Concealment of any or a combination of the above.</li> </ul> <p>The Board is committed to reviewing the Whistle Blowing Policy at least once every three (3) years to ensure its continued relevance, effectiveness and alignment with governing legislation and regulatory requirements.</p> <p>The Whistle Blowing Policy is published on the Company's website at <a href="http://www.toyoventures.com.my">www.toyoventures.com.my</a>.</p>
<b>Explanation for departure</b>	:	

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

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledged that sustainable development is important to the business and business operation of the Group which influences the approach of the Group operating its business by embracing better practices that are sustainable to realise the Group's Economic, Environmental and Social ("EES") development agenda.</p> <p>The Board, alongside with the Management, shares responsibility for governing sustainability within the Company. The Board is tasked with establishing the sustainability strategy and provides oversight of the corporate sustainability policies and performance, while the Management supervises the implementation of the Company's sustainability approach and ensures that key targets are being met.</p> <p>As part of the efforts to promote and build sustainability momentum within the Group, the Management has undertaken the following measures:-</p> <ul style="list-style-type: none"> <li>• strengthen the financial and deliver sustainable returns to the stakeholders.</li> <li>• mitigating any negative environment impact and conserving the surrounding environment.</li> <li>• foster a robust, diverse and capable workforce, and create a safe workplace.</li> </ul> <p>In addition, the Board is assisted by the ARMC in overseeing the Company's sustainability implementation and reporting, rooted in Environmental, Social and Governance pillars. This responsibility has been incorporated into the TOR of ARMC as well.</p>
<b>Explanation for departure</b>	:	

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



**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board took cognisance that engaging in effective and meaningful dialogues and disclosures while anticipating and meeting the needs of all stakeholders are fundamental to building trust and confidence and forms the foundation of good governance in the Group.</p> <p>The Company engages its stakeholders through various means of communication to enable them to understand the Group's business operation and seek their feedbacks and inputs on several matters relevant to them. The Group identified them through issues which are material based on their impact to the Group's operation and the number of stakeholders affected. The Company strives to maintain an open a two-way communication with its employees to discuss, among others, the Company's performance and growth strategies.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 4.3**

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board, through the NC assessed the training programmes attended by each Director during the financial period to ensure they stay abreast with the latest developments in the industry as well as the sustainability issues relevant to the Group, including factors that are driving climate change, sustainable finance and achieving a sustainable business model.</p> <p>The key training programs attended by each Director during the FPE 2025 are set out in the Corporate Governance Overview Statement of the Annual Report 2025.</p> <p>The Company Secretaries regularly update the Board on the changes of the Listing Requirements and/or other regulatory requirements upon receiving the circulars from Bursa Securities and/or other regulators, which are relevant to the Company and provide advice on corporate disclosures and compliance issues.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

**Practice 4.4**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board and the Management have performed their respective roles in addressing material sustainability risks and opportunities.</p> <p>The performance evaluation of the Board in addressing the Group’s strategic and business plans which promote sustainability materials matters was evaluated through the annual Board’s effectiveness evaluation for the FPE 2025.</p> <p>Whereas for the Senior Management team, it is part of their key performance indicators which are reviewed annually.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<i>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.</i>		
<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NC is responsible for overseeing the overall composition of the Board, ensuring an appropriate mix of skills, experience, and core competencies, as well as maintaining a balanced ratio of Executive Directors to Independent Non-Executive Directors.</p> <p>The Board's effectiveness as a whole, along with the contribution of each Director and the Board's committees, will be assessed on an annual basis.</p> <p>The Board is fully aware that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years as recommended by the MCCG. However, if the Board intends to retain a director who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, the Board must justify its decision and seek the shareholders' approval through a two-tier voting process at a general meeting. During the FPE 2025, none of the Directors has served the Board as an Independent Director of the Company for a cumulative term of more than nine (9) years.</p> <p>The annual re-election of retiring Directors has been contingent on a satisfactory evaluation of the retiring Directors' performance and contribution to the Board.</p> <p>In addition, the Fit and Proper Policy and Procedures guides to NC and the Board for the appointment and re-election of Directors of the Group. This policy of the Group is published on the Company's website at <a href="http://www.toyoventures.com.my">www.toyoventures.com.my</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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**Intended Outcome**

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

**Practice 5.2**

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	<p>The Board is made up of one (1) Group Managing Director, one (1) Executive Director, two (2) Non-Independent Non-Executive Directors and three (3) Independent Non-Executive Directors.</p> <p>The current composition, with three (3) Independent Directors out of a total of seven (7), is in compliance with the Listing Requirement of Bursa Securities. The Board is of the view that its current size and composition provide an appropriate balance of Executive and Non-Executive Directors, with the desired blend of skills and experience necessary for the Group's business and operations.</p> <p>The Board noted the recommendation of the MCCG that at least half of the Board members are independent. The NC will continue to identify suitable candidates with the required skill, expertise and relevant level of independence for appointment to the Board as Independent Directors to further strengthen the Board.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	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 5.3**

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

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

Application	:	Applied	
Explanation on application of the practice	:	None of the Independent Directors has served on the Board for a cumulative term exceeding nine (9) years.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		



**Intended Outcome**

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

**Practice 5.4 - Step Up**

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

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

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company is committed to ensuring that the appointment of Board members and senior management is conducted based on objective criteria and merit, while also considering diversity in skills, experience, age, cultural background, and gender. This approach is essential to fostering a well-rounded and effective leadership team.</p> <p>The NC leads the process for nominating new Board appointments and makes the necessary recommendations to the Board. The specific role of the NC is outlined in its Terms of Reference, which can be accessed on the Company's website.</p> <p>The evaluation of suitable candidates is based not only on academic qualifications, but also on their industry experience, to ensure that valuable contributions are made in support of the Company's growth.</p> <p>In making recommendations to the Board on candidates for directorship, the NC considers nominations based on the objective criteria, including:-</p> <ul style="list-style-type: none"> <li>• skills, knowledge, expertise and experience;</li> <li>• professionalism;</li> <li>• integrity;</li> <li>• competencies; and</li> <li>• time commitment to the Company, based on the number of directorships held.</li> </ul> <p>All Directors shall not hold more than five (5) directorships in listed issuers, as required under Paragraph 15.06 of the Listing Requirements of Bursa Securities.</p> <p>The Board had adopted a Directors' Fit and Proper Policy to ensure a transparent and rigorous process for the appointment and re-election of Directors of the Group. This Policy is accessible on the Company's website, <a href="http://www.toyoventures.com.my">www.toyoventures.com.my</a>.</p>

	<p>During the financial period under review, there was one (1) new appointment of Director as recommended by NC, as follows:-</p> <table border="1"> <thead> <tr> <th>Name of Director</th><th>Date of Appointment</th><th>Designation</th></tr> </thead> <tbody> <tr> <td>Tham Weng Seng</td><td>10 May 2024</td><td>Non-Independent Non-Executive Director</td></tr> </tbody> </table>		Name of Director	Date of Appointment	Designation	Tham Weng Seng	10 May 2024	Non-Independent Non-Executive Director
Name of Director	Date of Appointment	Designation						
Tham Weng Seng	10 May 2024	Non-Independent Non-Executive Director						
<b>Explanation for departure</b> :								
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>								
<b>Measure</b> :								
<b>Timeframe</b> :								

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NC's primary role is to screen, evaluate and recommend new Board member(s) for appointment. The appointment process adheres to formal and transparent practices as endorsed by the MCCG. The NC reviews candidates and recommends them for the Board's approval. In fulfilling this duty, the NC evaluates individual suitability by considering a range of factors, including skills, functional knowledge, expertise, experience, professionalism, integrity, and other commitments that could enhance the Board.</p> <p>In addition to recommendations from current Board members, management, and major shareholders, the Board also considers potential candidates from the industry, with regard to their educational background, skills, and experience.</p> <p>During the FPE 2025, Mr. Tham Weng Seng was appointed to the Board and assumed the role of Non-Independent Non-Executive Director. Although his candidacy was suggested through the Board members, his appointment followed a thorough assessment of skills, knowledge, expertise, experience, professionalism, integrity, and other potential contributions to the Board. The Board and NC are confident that, based on his credentials, he will positively contribute to the Company's governance and strategic direction.</p> <p>Although independent sources were not utilised in identifying the newly appointed Director, the Board ensured the decision was made in the Company's best interests. Considerations included adherence to the Fit and Proper Policy, experiences, competency, commitment, independence (when applicable), potential contributions, and the composition of the existing Board. While independent sources were not employed in this instance, the Board acknowledges the value of such resources and may consider engaging them in the future to identify qualified candidates as needed.</p>

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

**Intended Outcome**

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

**Practice 5.7**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The performance of retiring Directors recommended for re-election at the Fifth Annual General Meeting ("5<sup>th</sup> AGM") has been assessed through the NC annual evaluation (including the independence of the Independent Non-Executive Director) and recommended to the Board for approval.</p> <p>The profiles of the Directors who were due for retirement and offered themselves for re-election, which included the nature of interest with the Company, whichever applicable, were detailed in the Annual Report 2025.</p> <p>Whilst for the retiring Directors for the forthcoming 5<sup>th</sup> AGM, a statement by the Board and NC being satisfied with the performance and effectiveness of the retiring Directors who offered themselves for reelection at the forthcoming 5<sup>th</sup> AGM was stated in the notes accompanying the Notice of 5<sup>th</sup> AGM.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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 NC is currently chaired by Ms. Chan Kee Eng, an Independent Non-Executive Director.  The details/profile of the NC Chairperson is disclosed in the Annual Report 2025.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

**Practice 5.9**

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board is committed to promoting gender diversity in its composition and upholds a policy to work towards achieving this objective.</p> <p>In selecting candidates for Board appointments, the Board believes in and upholds the principle of equal opportunity, assessing all candidates based on skills, experience, core competencies, and other relevant qualities, regardless of gender.</p> <p>For the FPE 2025, the Board comprises three (3) female directors, representing 42.9% of female representation on the Board.</p>	
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 5.10**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board practises non-gender discrimination and endeavours to promote workplace diversity and supports the representation of women in the composition of the Board and senior management positions of the Company.</p> <p>The recruitment and appointment of suitable female representation on the Board will be considered when vacancies arise or suitable candidates are identified in line with the Group’s strategic objectives. Presently, there are (3) female Directors on the Board of the Company.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 6.1

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

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

*Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has in place a formal process for assessment of the effectiveness of the Board and the Board Committees as a whole and the contribution by each Director, including the independence of the Independent Non-Executive Director, to the effectiveness of the Board and Committees, making reference to the guides available and the good corporate governance compliance.</p> <p>The assessment of the Board and Board Committees is performed on a Board review whilst the assessment of the individual Directors is performed on a peer review basis. Each Director is provided with the assessment forms for their completion prior to the meeting. The results of all assessments and comments by the Directors are summarised and deliberated at the NC meeting and thereafter the NC's Chairperson will report the results and deliberation to the Board.</p> <p>The annual assessment criteria of the Board and Board Committees and individual Directors were updated to stay aligned with MCCG practices.</p> <p>In respect of the annual performance evaluation for the FPE 2025, it was concluded that:</p> <ul style="list-style-type: none"><li>(a) the Board and Board Committees discharged their duties and responsibilities effectively; and</li><li>(b) each Director continued to perform effectively and demonstrated commitment to his/her role.</li></ul> <p>The Board is satisfied with the current evaluation process. The Board will continue to review the Board's evaluation process as and when necessary to ensure it remains a valuable feedback mechanism for improving the Board's effectiveness.</p>

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

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board had adopted a formal Policies and Procedures to determine the remuneration of Directors and senior management, which includes reviewing and recommending the proposed remuneration packages of the Directors and senior management of the Company. The RC is also responsible for ensuring that the remuneration packages are commensurate with the expected responsibility and contribution by the Directors and link to the strategic objectives of the Company.</p> <p>The Board will determine the remuneration package of the Executive Directors, taking into consideration the recommendations of the RC for the Executive Directors. The remuneration packages for the Executive Directors are structured in such a way that they link rewards to both corporate and individual performance.</p> <p>The Non-Executive Directors of the Company will be paid a basic fee as ordinary remuneration based on their responsibilities in Committees and the Board, their attendance and/or the special skills and expertise they bring to the Board. The fee shall be fixed in sum and not by a commission on or percentage of profits or turnover. Apart from Directors' fees, all Non-Executive Directors are entitled to meeting allowances for attending Board and Board Committee meetings. Each Director shall abstain from the deliberation and voting on matters pertaining to their own remuneration.</p> <p>The Policies and Procedures is available on the Company's website at <a href="http://www.toyoventures.com.my">www.toyoventures.com.my</a>.</p>
<b>Explanation for departure</b>	:	

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

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board, assisted by the RC, implements the policy and procedures on remuneration, which includes reviewing and recommending the proposed remuneration packages of the Directors of the Company. The RC seeks to ensure that the remuneration packages are commensurate with the expected responsibility and contribution by the Directors and link to the strategic objectives of the Company.</p> <p>The RC is composed majority Independent Non-Executive Directors, promoting impartiality in the remuneration process. To avoid conflicts of interest, each Director abstains from discussions and voting on matters related to their own compensation.</p> <p>The TOR of the RC is available on the Company's website at <a href="http://www.toyoventures.com.my">www.toyoventures.com.my</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The detailed disclosure of individual Directors' remuneration on a named basis for the FPE 2025 is provided below and is also in the Corporate Governance Overview Statement of the Annual Report 2025.

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	Tuan Haji Ir. Yusoff Bin Daud	Non-Executive Non-Independent Director	39	83	-	-	-	-	122	61.5	83	-	-	-	-	144.5
2	Chew Cheong Loong	Executive Director	54	9	-	-	-	-	63	130.5	36	1,672.5	114.5	-	275.887	2,229.387
3	Tham Kut Cheong	Executive Director	54	-	-	-	-	-	54	130.5	-	695.5	57	-	41.779	924.779
4	Chan Kee Eng	Independent Director	39	92	-	-	-	-	131	39	92	-	-	-	-	131
5	Tan Poh Lee	Independent Director	39	92	-	-	-	-	131	39	92	-	-	-	-	131
6	Low Mei Kheng	Independent Director	39	92	-	-	-	-	131	39	92	-	-	-	-	131
7	Tham Weng Seng	Non-Executive Non-Independent Director	17.129	31.419	-	-	-	-	48.548	17.129	31.419	-	-	-	-	48.548
8	Lim Kee Min	Non-Executive Non-Independent Director	18	10	-	-	-	-	28	18	10	-	-	-	-	28
9	Lim Guan Lee	Non-Executive Non-Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here



13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	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**

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.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>Due to confidentiality and sensitivity of the remuneration packages of senior management as well as security concerns, the Board opts not to disclose the senior management's remuneration components on a named basis in the bands of RM50,000.</p> <p>The Board is of the view that the disclosure of the senior management's remuneration components on a named basis would not be in the best interest of the Company, given that the competitive human resources environment as such disclosure may give rise to recruitment and talent retention issues.</p> <p>As an alternative, the Board is of the view that the disclosure of senior management's aggregated remuneration on an unnamed basis in the bands of RM50,000 in the Company's Annual Report 2025 is adequate.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

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.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Chairman of the Board is Tuan Haji Ir. Yusoff Bin Daud while the ARMC Chairperson is Ms. Chan Kee Eng. The roles are assumed by separate individuals to ensure that the Board's review of the ARMC's findings and recommendations are not impaired.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company recognised the need to uphold the independence of its external auditors and that no possible conflict of interest whatsoever should arise. Currently, ARMC comprises four (4) members and none of the members were former key audit partners of the external auditors appointed by the Company. The Company 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 ARMC was a key audit partner of the external auditors of the Group.</p> <p>The requirement for a former key audit partners of the external audit firm to observe a cooling off period of at least three (3) years before being appointed as a member of the ARMC has been incorporated as part of the Terms of Reference of the ARMC. The TOR of ARMC is available on the Company's website at <a href="http://www.toyoventures.com.my">www.toyoventures.com.my</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The ARMC assesses the performance and quality of the external auditors and their independence, objective and professionalism. ARMC review the effectiveness of the external audit process and undertake a detailed review on the audit plan and audit report. Any issue or concern with the effectiveness would be reported to the Board.</p> <p>The ARMC also held private session with the external auditors without the presence of the executive members of the Board to review the extent of assistance rendered by the Management and if any issues or concern arising from their audit work.</p> <p>Based on the annual assessment conducted, the ARMC was satisfied with TGS TW PLT's technical competency and independence for the financial year under review and is recommending to the Board and shareholders for their approval for the re-appointment of TGS TW PLT as the External Auditors for the financial year ending 31 March 2026.</p> <p>The ARMC also obtained assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**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.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board firmly believes the members of ARMC possess the related accounting and financial management expertise required to discharge its responsibilities and to assist the Board in overseeing the financial reporting process.</p> <p>The Board is of the opinion that the ARMC has performed its function satisfactorily in ensuring that the Company's financial statements are prepared in compliance with applicable financial reporting standards and is a reliable source of financial information for shareholders and all stakeholders.</p> <p>All members of the ARMC have also undertaken and will continue to undertake continuous professional development to keep themselves abreast of the relevant developments in accounting and auditing standards, practices and rules.</p> <p>During the meetings of the ARMC, the members have also been briefed by the External Auditors on the development or changes in the applicable Malaysian Financial Reporting Standards, International Financing Reporting Standards and the relevant accounting requirements under the Companies Act 2016.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board has in place an effective risk management and internal control framework to identify and assess the risks faced by the Group. The Board undertake regular and systematic review of the systems of internal control, risk management process and compliance with the Group's established policies and procedures so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively in the Group.</p> <p>The Board has outsourced the internal audit, risk governance and internal control oversight to an independent consulting firm.</p> <p>The principal responsibility of this engagement is to undertake regular and systematic review of the systems of internal control, risk management process and compliance with the Group's established policies and procedures so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively in the Group.</p> <p>The Statement on Risk Management and Internal Control is set out in the Annual Report detailing the state and fundamentals of the risk management and internal control systems in the Group as well as the review mechanism of the Board.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board, through the ARMC oversees the risk management matters of the Group, which involves identifying, managing, monitoring and mitigating significant risks across the Group's operations.</p> <p>The independent Internal Auditors reports to the ARMC on a quarterly basis all its findings which are then convey by the Chairperson of ARMC to the full Board with detailed recommendations for corrective actions of specific identified risks.</p> <p>All reports are minuted in ARMC meetings and followed up at the next forthcoming meeting. The details of the risk management and internal control framework are set out in the Statement of Risk Management and Internal Control as presented in the Company's Annual Report.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b> :	Not Adopted
<b>Explanation on adoption of the practice</b> :	

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The principal responsibility of the internal audit department is to undertake regular and systematic review of the systems of internal control, risk management process and compliance with the Group's established policies and procedures so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively in the Group. Functionally, the internal auditor reviews and assesses the Group's systems of internal control and report to the ARMC directly. Before the commencement of audit reviews for the financial year, an audit plan is produced and presented to the ARMC for review and approval. This ensures that the audit direction is in line with the ARMC's expectations.</p> <p>The Board is updated on the Group's internal control system which encompasses risk management practices as well as financial, operational and compliance controls on a quarterly basis. On-going reviews are performed throughout the year on quarterly basis to identify, evaluate, monitor and manage significant risks affecting the business and ensure that adequate and effective controls are in place. Such continuous review processes are conducted by the Group's independent and sufficiently resourced internal audit function as well as the Company's management team.</p> <p>All findings of the ARMC, as reported by an independent external professional firm, are conveyed to management and the effectiveness of management's corrective actions are reviewed at the following ARMC meetings.</p> <p>Such continuous review processes are conducted by the Group's independent and sufficiently resourced internal audit function as well as the Company's management team.</p> <p>To ensure that the responsibilities of Internal Auditors are fully discharged, the ARMC evaluates the performance of the Internal Auditors for the FPE 2025 based on the following evaluation criteria as set out in the Internal Auditors' Annual Assessment Form:-</p> <ul style="list-style-type: none"> <li>(a) Adequacy of resources and experience of the internal audit firm;</li> <li>(b) Quality processes of the internal audit firm;</li> <li>(c) Competency of the engagement team;</li> <li>(d) Governance and independence;</li> </ul>

	(e) Internal audit fee, scope and planning; and (f) Internal audit reports and communications.  The ARMC concluded its assessment that the Internal Auditors have sufficient experience and resources to satisfy their terms of reference and adequately deliver quality services to the Group.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Internal Audit Function is outsourced to IA Essential Sdn. Bhd., an internal audit consulting firm.</p> <p>This internal function is managed by Ms. Chen Pei Ping (“Ms. Chen”), the project team leader who is Associate Members of the Institute of Internal Auditors Malaysia and assisted by an audit executive who are accounting graduates.</p> <p>In discharging her responsibilities, Ms. Chen reports to and is guided by Mr. Chong Kian Soon (“Mr. Chong”) who is the Director of the firm overseeing the engagement. Mr. Chong is a member of Chartered Accountants Australia and New Zealand, the Malaysia Institute of Certified Public Accountants and the Institute of Internal Auditors Malaysia.</p> <p>The Internal Auditors have performed its work with reference to the principles of the International Professional Practice Framework of Institute of Internal Auditors covering the conduct of the audit planning, execution, documentations, communication of findings and consultation with key stakeholders.</p> <p>In order to ensure the objectivity, independence and no conflict of interest in the work of the Internal Auditors, the ARMC reviews the conduct and work performed by the Internal Auditors including their participation in the preparation of the statements disclosed in the Annual Report 2025.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the need for stakeholders and the wider investment community to ensure that they are kept informed of all material business matters affecting the Group. This is done through the timely dissemination of information on the Group's performance and major developments which are communicated via the following channels:-</p> <ul style="list-style-type: none"> <li>(a) the Annual Report and relevant circulars published on the Company's website and Bursa Securities' website;</li> <li>(b) the convening of AGM and/or Extraordinary General Meeting;</li> <li>(c) the release of various disclosures and announcements including quarterly financial results; and</li> <li>(d) press releases.</li> </ul> <p>The Board adheres strictly to the Bursa Securities disclosure framework to provide investors and the public with accurate and complete information on a timely basis and not merely to meet the minimum regulatory requirements for disclosure. The Board ensures that confidential information is handled properly by authorised personnel to avoid leakage and improper use of such information. The Board is also mindful that information which is expected to be material must be announced immediately.</p> <p>The Board has also designated Ms. Tan Poh Lee as the Independent and Non-Executive Director to whom shareholders and investors can voice their views and concerns by email to <a href="mailto:marina.tan@toyventures.com.my">marina.tan@toyventures.com.my</a></p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

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

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The notice of the Fourth Annual General Meeting ("4<sup>th</sup> AGM") held on 13 March 2024 was given to the shareholders at least twenty-eight (28) days before the 4<sup>th</sup> AGM.</p> <p>The forthcoming 5<sup>th</sup> AGM of the Company will be held on 11 September 2025 and the Notice of the 5<sup>th</sup> AGM accompanying the Annual Report 2025 of the Company will be issued to the shareholders and published on a nationally circulated newspaper on 31 July 2025 (i.e., at least twenty-eight (28) days prior to the date of the forthcoming 5<sup>th</sup> AGM). This also complies with the twenty-one (21) days' notice requirement as required under the Act.</p> <p>By doing so, shareholders will 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 forthcoming 5<sup>th</sup> AGM.</p> <p>The notice of the general meeting provides a detailed explanation for the resolutions proposed along with any background information and reports or recommendations that are relevant, where required and necessary, to enable shareholders to have sufficient time to consider the resolutions that will be discussed and to make informed decisions in exercising their voting rights.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>All Directors attended the 4<sup>th</sup> AGM held on 13 March 2024. The senior management and External Auditors also attended the 4<sup>th</sup> AGM.</p> <p>During the proceedings of the 4th AGM, the Chairman invited shareholders to raise questions pertaining to the Company’s audited financial statements and the other agenda items tabled for approval at the meetings. All questions raised by the shareholders were answered and addressed accordingly.</p> <p>All the Directors of the Company will always endeavour to attend all general meetings and the Chairman of the Board Committees will provide meaningful responses to questions addressed to them.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company's 4<sup>th</sup> AGM was conducted on a fully virtual basis via live streaming and remote participation and voting facilities, through an online meeting platform from the Broadcast Venue at Level 43A, MYEG Tower, Empire City, No. 8, Jalan Damansara, Jalan PJU 8/3A, 47820 Petaling Jaya, Selangor Darul Ehsan.</p> <p>Shareholders were able to participate, speak (including posing questions to the Board via real-time submission of typed texts) and vote (collectively, "participate") remotely at the 4<sup>th</sup> AGM using the Remote Participation and Voting Facilities ("RPV") provided by Agmo Digital Solutions Sdn. Bhd. via its Vote2U Online website at <a href="https://web.vote2u.my">https://web.vote2u.my</a>.</p> <p>All resolutions tabled at general meetings were voted by way of poll via electronic voting (e-voting). An independent scrutineer was appointed to validate the votes cast. The outcome of the AGM, including the poll results, was announced to Bursa Securities on the same day after the meeting is concluded.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### 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.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Chairman ensures that the general meetings cater to an important opportunity for effective communication with, and constructive feedback from the shareholders.</p> <p>Shareholders were encouraged to submit their questions before the 4<sup>th</sup> AGM via its Vote2U Online website at <a href="https://web.vote2u.my">https://web.vote2u.my</a> or post the questions using the query box facility during the <a href="https://web.vote2u.my">https://web.vote2u.my</a>. In addition, upon commencement of the <a href="https://web.vote2u.my">https://web.vote2u.my</a>, the Chairman duly advised the shareholders that they were allowed and encouraged to submit their questions or queries in the query box of RPV throughout the <a href="https://web.vote2u.my">https://web.vote2u.my</a>.</p> <p>The Company facilitates and encourages shareholder participation at its <a href="https://web.vote2u.my">https://web.vote2u.my</a>. These meetings provide an update for shareholders on their performance and offer an opportunity for shareholders to ask questions and vote. The Chairman read out and the Directors answered the relevant questions received.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company's 4<sup>th</sup> AGM was conducted on a fully virtual basis via live streaming and remote participation and voting facilities, through an online meeting platform from the Broadcast Venue at Level 43A, MYEG Tower, Empire City, No. 8, Jalan Damansara, Jalan PJU 8/3A, 47820 Petaling Jaya, Selangor Darul Ehsan.</p> <p>The Board has engaged the Company's Share Registrar, Insurban Corporate Services Sdn. Bhd. ("Insurban") for Registration and Electronic Poling Services. Insurban has a vast amount of experience in conducting a fully virtual meeting. Moreover, efficiency is guaranteed as Insurban holds up to date records of the Company shareholders.</p> <p>The detailed procedures to participate in the meeting remotely were provided to the shareholders in the Administrative Notes of the 4<sup>th</sup> AGM sent through email and by ordinary post and the same were also published on the Company's website.</p> <p>Insurban has in place a meeting platform that allows shareholders to participate online, using a smartphone, tablet or computer as well as view live webcast of the meeting.</p> <p>As mentioned above, real-time submission of typed texts is also available to encourage interactive participation from the shareholders.</p>
<b>Explanation for departure</b>	:	

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

<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	Minutes of the 4 <sup>th</sup> AGM has been made available to shareholders no later than 30 days business days after the 4 <sup>th</sup> AGM on the Company's website.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## **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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