

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0155
COMPANY NAME : Malaysian Genomics Resources Centre Berhad
FINANCIAL YEAR : December 31, 2025

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors ("Board") is collectively responsible for the leadership, oversight, and securing the long-term success of the Company and its subsidiaries ("Group") and the delivery of sustainable value to its stakeholders. The Board leads the performance of the Group, including practicing a high level of good governance. All Board members are expected to show good stewardship and act in a professional manner as well as upholding the core values of the Group with due regard to their fiduciary duties and responsibilities.</p> <p>In carrying out its fiduciary obligations and leadership role, the Board is guided by the Board Charter, which sets out the Board's duties and responsibilities, the matters reserved for its decision, and those delegated to the Acting General Manager and Senior Management. To support the Board in fulfilling its oversight functions effectively, the Board has also delegated specific responsibilities to the following Board Committees within their respective Terms of Reference ("TOR"):</p> <p>a) Audit and Risk Management Committee; and b) Nomination and Remuneration Committee.</p> <p>The ultimate responsibility for the final decision on all matters deliberated in these committees, however, lies with the Board. In addition, the Chairman of the relevant Board Committees also reports to the Board on key issues discussed during the respective committee meetings.</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

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>In accordance with the Company's adopted Board Charter, the role of the Chairman encompasses several key responsibilities. The Chairman is responsible for providing leadership to the Board, overseeing the effective discharge of its supervisory duties, and facilitating the active contribution of all Directors. Additionally, the Chairman conducts Board meetings, briefs Directors on issues arising during meetings, and ensures regular evaluations of the Board's performance. The Chairman also fosters constructive and respectful relationships among Board members, as well as between the Board and the Management, while acting as the representative of the Board. Furthermore, the Chairman ensures the integrity and effectiveness of the Board's governance processes and maintains ongoing dialogue with the Board regarding operational matters and emerging issues.</p> <p>The Chairman plays a crucial role in leading the Board to establish a robust corporate governance system and ensuring the Group adheres to high standards of corporate governance. The Board Charter clearly defines the roles, responsibilities, and authorities of the Board, providing a framework for effective governance and decision-making within the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company does not have a Chief Executive Officer ("CEO"); instead, the role is assumed by the Acting General Manager ("Acting GM"). The responsibilities of both the Executive Chairman/Managing Director and the Acting GM of MGRC are clearly defined to ensure effective governance.</p> <p>The Acting GM holds overall responsibility for the Company's operational matters, with a focus on driving the Company and the Group towards achieving its strategic goals and objectives. This includes the implementation of the Company's policies, corporate strategies, and decisions, ensuring that operations align with the Company's long-term vision.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application :	Applied
Explanation on application of the practice :	The Executive Chairman/Managing Director, Mr Leong Yien Hung is not a member of Audit and Risk Management and Nomination and Remuneration Committee.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>Throughout the FYE 2025, the Board was supported by two (2) qualified and competent Company Secretaries, namely Mr Tan Tong Lang and Ms Thien Lee Mee. They are qualified under Section 235(2) of the Companies Act, 2016, experienced, competent in performing their duties.</p> <p>The Board has ready and unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively.</p> <p>The Board is also regularly apprised and advised by both Company Secretaries on statutory and regulatory updates and requirements as well as pertinent governance matters from time to time at Board meetings. In discharging their role as counsels to the Board, the Company Secretaries also ensure proper supply of relevant information as well as the accuracy and adequacy of meeting materials, recording of meeting minutes and resolutions of the Board and Board Committees.</p> <p>The Company Secretaries play an advisory role to the Board in relation to the Company's constitution, Board's policies and procedures and compliance with the relevant regulatory requirements, Malaysian Code on Corporate Governance and legislation.</p> <p>The Company Secretaries constantly keep themselves abreast of changes in the realm of corporate governance through attending relevant conferences and training programmes. They have also attended the relevant continuous professional development programmes as required by the Companies Commission of Malaysia or MAICSA for practising Company Secretaries. Detailed information on the functional accountabilities of the Company Secretaries is encapsulated in the Board Charter.</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

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>In accordance with the Company's Board Charter outlines the provisions governing notices of meetings, agendas, and Board papers. The Company Secretary is responsible for preparing the notice of meeting and the agenda for each meeting, following the Company's Constitution for dissemination. Relevant Board papers are sent to the Board members in advance, providing sufficient time for meeting preparation. Minutes of all Board meetings are recorded in detail, including discussions leading to decisions, and are promptly circulated for review and approval by the Board members. A schedule of matters for the Board and Board Committee meetings is prepared and distributed to all Directors and Committee members at the start of each financial year.</p> <p>The agenda for Board meetings, along with relevant reports on the Company's business operations and proposal papers for consideration, is circulated to all Directors in advance to allow time for review and clarification. Directors receive the agenda and the minutes of the previous meeting at least one (1) week before the meeting, with other meeting papers being distributed at least three (3) days prior to the meeting date.</p> <p>The Directors have access to all information within the Company as well as to the advice and services of the Company Secretaries, whether as a full Board or in their individual capacities, to assist them in the decision-making process. Where necessary, the Directors may engage independent professionals at the Company's expense on specific issues, in order to enable the Directors to discharge their duties with the benefit of all available knowledge and resources.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has formally adopted a Board Charter that sets out the respective roles and responsibilities of the Board, Board committees and Management and the standard of conduct expected of individual Directors.</p> <p>The Board Charter provides guidance for Directors and Management regarding the responsibilities of the Board and its Committees and Management in carrying out their stewardship role and in discharging their duties towards the Company as well as boardroom activities.</p> <p>The Board Charter is reviewed periodically or as and when changes occur to ensure that it reflects the current needs of the Group. More information on the Board Charter can be found on the Company's website.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Company has adopted a Code of Conduct and Ethics, which is available on the Company's website at www.mgrc.com.my . This Code outlines the fundamental principles guiding the conduct and ethical behaviour expected of all Directors of the Company and its subsidiaries.	
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 has adopted a Whistleblowing Policy to provide a defined avenue and accessible reporting channels for all employees of the Group to raise concerns or disclose any improper conduct within the Group which is available on the Company's corporate website at www.mgrc.com.my .	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The 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 Company’s sustainability strategies, priorities and targets is led by the Board of Directors, assisted by the management and key senior personnel. We believe sustainability can only be retained with the joint effort from all employees and its stakeholders at all times. The detailed report is disclosed in the Sustainability Statement in the 2025 Annual Report 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

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	:	We recognize that transparency and accountability are essential to ensuring that matters related to stakeholders are approached with an emphasis on openness, ethical conduct, and operational and economic responsibility. Stakeholder engagement and feedback are integral to our sustainability strategy and initiatives, and the Group continuously improves its approach through various communication channels with customers, employees, suppliers/vendors, shareholders, regulators, local communities, media, and industry associations.	
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	:	To enhance the understanding of sustainability issues relevant to the Company and its business, including climate-related risks and opportunities, Board members have participated in briefings and training on sustainability topics. The Board plans to continue engaging with subject matter experts through additional training on these matters. Furthermore, the Company is exploring opportunities for business diversification, including potential entry into new markets such as the dialysis sector and expansion into genomics and biopharmaceutical industries in other countries.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application	:	Applied	
Explanation on application of the practice	:	The Board and the Senior Management have performed their respective roles in addressing material sustainability risks and opportunities. 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 FYE 2025. For the Senior Management team, this aspect is included in their performance evaluation as part of their key performance indicators, which are reviewed annually.	
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	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Nomination and Remuneration Committee conducted its formal annual evaluation and appraisal of the effectiveness of the Board, its Board Committees, and the contributions of each director, serving as a benchmark for improvement. The evaluation process included a self-assessment, where each director completed an assessment based on several criteria, including Contribution to Interaction, Quality of Input, Understanding of Role, and the Board Chairman’s Role. The ratings for each criterion were categorized as Weak, Needs Improvement, Adequate, Consistently Good, and Strong.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.2

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

Application	:	Applied	
Explanation on application of the practice	:	The present composition of the Board complies with Rule 15.02 of the Listing Requirements of Bursa Securities and Practice 5.2 of the MCGG as half of the Board comprises Independent Directors. All the Independent Directors satisfied the independence test under the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The presence of Independent Directors ensures that views, consideration, judgment and discretion exercised by the Board in decision making remain objective and independent whilst assuring the interest of other parties such as minority shareholders are fully addressed and adequately protected as well as being accorded with due consideration.	
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	:	As at 31 December 2025, there are no Independent Non-Executive Directors on the Board who have served beyond 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 appointment of Board members is conducted in accordance with Item 4.5 of the Board Charter and Item 1 of the Policies governing the Board of Directors, both of which are available on the Company's website at www.mgrc.com.my . As outlined in the Company's policies on the Appointment of Board and Senior Management, which form part of the Policies governing the Board of Directors, appointments are based on objective criteria, merit, and with careful consideration of diversity in skills, experience, age, cultural background, and gender.
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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	<p>The identification and appointment of new Directors undergo a process led by the Nomination and Remuneration Committee (“NRC”) which reviews the required mix of skills, experience and other qualities of the Directors to ensure that the Board is functioning effectively and efficiently.</p> <p>The NRC will assess amongst other, the background, qualification, work experiences, knowledge and integrity of the candidates and whether the candidates will be able to provide the Board with a diverse set of experience, expertise, skill and competence before recommending their appointment to the Board.</p> <p>Currently, the identification for appointment of directors is largely based on recommendation from existing Directors, senior management and major shareholders.</p> <p>The Board is of the opinion that the present sources of identifying candidates for board positions are effective to ensure that the Board is functioning effectively and efficiently</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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 detailed profile of the Directors of the Company is included in the Company's annual report which provides the shareholders with access to such information of current as well as newly appointed directors. The rationale and information on any candidate who is standing for election (if any) will be disclosed in the Explanatory Notes of the Notice of Annual General Meeting ("AGM"). Any re-election due to rotation or casual vacancy will also be communicated to the shareholders via the Notice of 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 Nomination and Remuneration Committee is chaired by Mr Yap Kok Wei, 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	:	Applied	
Explanation on application of the practice	:	The Board consists of six (6) Directors, two (2) of whom are women, representing 33.3% female representation at the Board level.	
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 5.10

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	:	At present, the Group does not have a formalised policy on gender diversity in place at the Board or Management level. The Board acknowledges the importance of gender diversity and recognises the multifarious benefits that it can bring. It is the aim of the Board to have an appropriate level of diversity on its Board as well as amongst Management to reflect the diverse nature of the Group's operations and support of its strategic objectives.	
		The Board is of the view that it is already reaping the multifarious benefits that come with diversity in gender. This is because the views of the extensive female representation at the Management level ultimately have their opinions, findings and strategies escalated to the Board. This then forms the basis of Board level deliberation and decision-making.	
<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	: <p>The Nomination Committee annually performs an assessment of the effectiveness and performance of the Board, Board Committees and individual Directors in order to verify that the Board is functioning effectively as a whole. Each Director would complete detailed questionnaires, covering among other things; contribution to interaction, quality of input, understanding of role and personal developments with the aim of enhancing Board and Board Committees' performance.</p> <p>An evaluation of each Board Committee would also be done by assessing the structure, roles and responsibilities, performance of the respective Chairman, as well as Committee's performance against its Terms of Reference. The assessment was internally facilitated, whereby results of the assessments had been compiled, documented and reported to the Board accordingly, as part of the Company's ongoing corporate governance practices.</p> <p>Assessments and evaluations were conducted for 2025 and the Board was satisfied with the overall performance of its Directors and the respective Board Committees.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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	:	<p>The Board has not yet formalised a Remuneration Policy and Procedures for Directors and Executive Management.</p> <p>The Board (via the NRC) will ensure that the Group's levels of remuneration commensurate with the skills and responsibilities expected of the Directors and that such remuneration is structured to be fair, reasonable and competitive in order to attract and retain talent required to lead the Group effectively.</p> <p>The Board, as a whole, determines the remuneration of the Directors and each individual Director is required to abstain from discussing his/her own remuneration. The NRC is guided by market norms and industry practices when making recommendations for the compensation and benefits of Directors.</p> <p>The NRC's recommended remuneration for Executive Directors is subject to Board's approval as it is the ultimate responsibility of the Board to approve the remuneration of such Directors.</p> <p>In relation to the fees and allowances for Directors, it will be presented at the AGM for shareholders' approval.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NRC, which comprises solely of Independent Non-Executive Directors, assists the Board by reviewing, among others, the Group’s policies and procedures on remuneration, including assessing the remuneration packages, reward structure and benefits for all Directors and Senior Management on an annual basis, to ensure the same remain competitive, appropriate and in alignment with the prevalent market practices before recommending to the Board for approval.</p> <p>The NRC may obtain independent advice in establishing the level of remuneration for the Executive Directors and Senior Management. The remuneration packages of Executive Directors and Senior Management comprise a fixed salary and allowances as well as bonus, whilst the remuneration of the Non-Executive Directors comprises annual fees, meeting allowance and reimbursement of expenses for their services in connection with Board and Board Committee meetings.</p> <p>Despite the remuneration packages of the Executive Directors were decided by the Board as a whole, the Executive Directors were abstained from deliberation and voting on decision in respect of their own remuneration.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The details of Directors' Remuneration for financial year ended 31 December 2025 including former Directors during the financial year on named basis is disclosed in this report.

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	Leong Yien Hung	Executive Chairman/Managing Director.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Yap Kok Wei	Independent Director	27	-	-	-	-	-	27	27	-	-	-	-	-	27
3	Lim Kok Kiong	Independent Director	14	-	-	-	-	-	14	14	-	-	-	-	-	14
4	Tan Yiing Fung	Independent Director	14	-	-	-	-	-	14	14	-	-	-	-	-	14
5	Chung Eng Lam	Independent Director	14	-	-	-	-	-	14	14	-	-	-	-	-	14
6	Ler Pei Fen	Independent Director	14	-	-	-	-	-	14	14	-	-	-	-	-	14
7	Encik Muhammad Badri Bin Hussin (Resigned on 5 May 2025)	Executive Director	-	25	162	-	-	-	187	-	25	162	-	-	-	187
8	Mohd Shakir Bin Shahimi (Resigned on 5 May 2025)	Independent Director	22	-	-	-	-	-	22	22	-	-	-	-	-	22
9	Chih Yi May (Resigned on 5 May 2025)	Independent Director	11	-	-	-	-	-	11	11	-	-	-	-	-	11
10	Encik Mohamad Ruzaini Bin Hamzah (Resigned on 5 May 2025)	Independent Director	11	-	-	-	-	-	11	11	-	-	-	-	-	11
11	Datuk Wira Muhammad Faizal Bin Zainol (Resigned on 9 May 2025)	Independent Director	11	-	-	-	-	-	11	11	-	-	-	-	-	11
12	Syed Zulkifli bin Syed Ismail (resigned on 19 February 2025)	Independent Director	5	-	-	-	-	-	5	5	-	-	-	-	-	5
13	Mohammad Hasni bin Ibrahim	Independent Director	5	-	-	-	-	-	5	5	-	-	-	-	-	5

	(resigned on 19 February 2025)															
14	Noor Azri Bin Dato' Sri Noor Azerai (resigned on 19 February 2025)	Executive Director	-	-	28	-	-		28	-	-	28	-	-		28
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.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The remuneration of the top five senior management of the Group are not disclosed on a named basis in the bands of RM50,000 due to confidentiality and sensitivity of each remuneration package. The aggregate remuneration of the key senior management of the Group for the financial year ended 31 December 2025 has been included in the Audited Financial Statements.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
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 Chairman of the Audit and Risk Management Committee, 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 has always recognised the need to uphold independence. None of the members of the Board or Board Committees were former key audit partners.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The ARMC conducts annual assessment on the Group's external auditors. The areas of assessment encompass technical competencies, adequacy of specialist support, partner/director accessibility, time commitment, independence and objectivity, audit scope and planning, audit and non-audit fees and audit communication with the ARMC.</p> <p>In support of the assessment on independence, the external auditors would provide written assurance to the ARMC, confirming their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements.</p> <p>Premised on the assessment result, the ARMC makes recommendation on the re-appointment of external auditors accordingly.</p> <p>Based on the result of the assessment, the ARMC and the Board are satisfied with Jamal, Amin & Partners's independence and shall recommend its re-appointment for shareholders' approval at the forthcoming 21st AGM.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The Audit and Risk Management Committee comprises solely 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 members of the Audit and Risk Management Committee are financially literate, in view of their background and the continuous professional training. They kept abreast of the relevant opportunities for professional development such as trainings, courses and other events conducted by Bursa Malaysia Securities Berhad and other regulatory bodies, which are regularly circulated to them by the Company Secretaries. All trainings and courses attended by the members of the Audit and Risk Management Committee and all Directors, are disclosed in the Company's annual report. The internal auditors, external auditors and the Company Secretaries regularly briefed the Audit and Risk Management Committee members on recent developments in regulatory, accounting and auditing standards, practices and rules.
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	:	<p>The Board has delegated the responsibility to review the adequacy and integrity of the Group's system of internal control and risk management to the Audit and Risk Management Committee.</p> <p>The Audit and Risk Management Committee is empowered under its terms of reference to seek assurance on the adequacy and integrity of the internal control and risk management system from Management and through independent reviews carried out by the external service provider, Kloo Point Risk Management Services Sdn Bhd.</p> <p>The Board recognised that the internal control and risk management system can only provide reasonable, and not absolute, assurance against material misstatement or loss.</p> <p>The Statement on Risk Management and Internal Control set out in the Annual Report 2025 provides an overview of the state of the risk management and internal controls within the Group for the financial year under review.</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

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	:	<p>The Management reports to the Board of Directors on its assessment of risks in the categories of operational risk, project risk, and strategic risks of the Company. Assessments of risks in these categories are provided via financial and non-financial risk parameters, and a likelihood of occurrence which is used to describe risk exposure. This framework is aligned with the internal parameters used by Kloo Point Risk Management Services Sdn Bhd, the internal auditors of the Company during the financial year ended 31 December 2025.</p> <p>The risk management and internal control framework is disclosed in the Statement on Risk Management and Internal Control in Annual Report 2025.</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

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	The Audit and Risk Management Committee comprises solely Independent Non-Executive Directors and hence, the company's risk management framework and policies are managed without the influence of the executives and are being carried out in an objective manner.

Intended Outcome

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

Practice 11.1

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

Application	:	Applied	
Explanation on application of the practice	:	The internal audit function is outsourced to an independent service provider, Kloo Point Risk Management Services Sdn. Bhd. (“Internal Auditors”). The Audit and Risk Management Committee reviews the adequacy and performance of the internal audit function annually to ensure it is effective and able to function independently of the operations of the Group through an internal Audit Planning Memorandum which is setting out the scope of the internal audit to be undertaken, is tabled to the Audit and Risk Management Committee. The Internal Auditors conducted two (2) internal audit cycles during the financial year under review.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>Bhd. (“Kloo”) is headed by Mr. Khor Ben Jin, the Executive Director of Kloo.</p> <p>Mr Khor Ben Jin has been a Manager of one of the Big 4 accounting firms and 3 years’ experience in external audit at another international firm. He has extensive experience in providing internal audit consulting services, risk assessments and corporate governance review in the aspects of risk management, control and governance processes in highly regulated environments. In addition, he has been trained in Internal Audit methodologies which enabled him to identify risks and establish an internal control structure which covers the roles and functions and scope of work to assist the audit committees and board of directors of numerous public listed companies to discharge their responsibilities in relation to ensuring good systems of internal controls.</p> <p>He is a fellow member of the Association of Chartered Certified Accountants, United Kingdom, Chartered Accountant of the Malaysian Institute of Accountants, Certified Internal Auditors United States of America and Chartered member of the Institute of Internal Auditors Malaysia.</p> <p>For the financial year ended 31 December 2025, the internal auditors, Kloo Point Risk Management Services Sdn Bhd. (“Kloo”) has confirmed to the Audit and Risk Management Committee that all its engagement team personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence.</p> <p>Kloo has confirmed that its internal audit works were carried out in accordance with a framework set by a recognised professional body; i.e. International Professional Practice Framework issued by Institute of Internal Auditors, of which final communication of internal audit plan, processes and results of the internal audit assessment are supported by sufficient, reliable and relevant information which signifies a satisfactory conclusion of the internal audit work.</p>

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

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>on all major developments affecting the Company. Information is disseminated to shareholders and investors through various channels, which include annual financial statements, annual reports, as well as where appropriate, circulars and press releases. The Board regularly reviews the information disseminated to ensure that consistent and accurate information is provided to shareholders of the Company.</p> <p>The Annual General Meeting is the principal forum for dialogue with shareholders and serves as a platform in which Directors may promote and encourage bilateral communications with its shareholders. The external auditors are also present in order to provide their professional and independent clarification on issues of concern raised by the shareholders, if any.</p> <p>In line with the recommendations of the Malaysian Code on Corporate Governance, the Chairman of the general meetings will inform the shareholders of their right to demand a poll vote at the commencement of all future general meetings.</p> <p>The Company maintains a website at http://www.mgrc.com.my/ for shareholders, investors and general public to access information on, amongst others, the Group's profile, products, financial performance, announcements, and corporate information.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.2

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	:	<p>In line with the Malaysian Code of Corporate Governance, the Company abides by dispatching the Notice of its 21st Annual General Meeting (“AGM”) will be held on 22 June 2026 at least 28 days prior to the AGM. This provides adequate time for shareholders to make the necessary arrangements to attend and participate in person or through corporate representatives, proxies or attorneys. More importantly, it enables the shareholders to consider the resolutions and make an informed decision in exercising their voting rights at the general meeting.</p> <p>The Group distributes Notice of the AGM, which provides information to the shareholders regarding the details of the AGM, their entitlement to attend the AGM, their right to appoint a proxy and information as to who may count as a proxy. The Company allows a member to appoint a proxy or proxies who need not be a member of the Company.</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

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	:	At the 20 th AGM which was held on 23 June 2025, all the Directors of the Company attended at the said AGM. Barring any unforeseen circumstances, all the Directors have confirmed their attendance and participation for the forthcoming 21 st AGM which will be held on 22 June 2026. The Board members who are also Chairman of the Board Committees have always been present at the AGM to respond to questions raised by the shareholders if addressed to them.	
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	:	<p>The Company views that conducting meetings in a physical setting provides a more effective and engaging platform for communication with shareholders. Face-to-face interactions allow for clearer dialogue and immediate feedback, which can enhance mutual understanding.</p> <p>Additionally, physical meeting helps ensure that all shareholders, regardless of their technological proficiency or resources, have a fair opportunity to participate in the meetings and express their views.</p> <p>The Company conducts its general meetings at convenient and easily accessible venues in Klang Valley. Shareholders who are unable to attend these meetings in person may, in line with the provisions of the Company's Constitution, appoint a proxy or the Chairman of the meeting to represent them and cast votes on their behalf.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application :	Applied
Explanation on application of the practice :	The Board will allocate a session to respond to questions posted, either prior to or during the meeting. The respective response on every question received prior to the meeting will be pre-prepared and answered at the meeting by displaying the same on the screen for all participants to view. As for questions received during the meeting, the questions will be filtered to avoid repetition. All answers are explained either in financial or non-financial perspective which also include the Company's long-term strategies, if applicable, during the meeting within the permissible time frame. In the event any question is not replied due to time constraint, the reply shall be posted on the Company's website within the reasonable timeframe after the conclusion of the meeting.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application :	Not applicable – only physical general meetings were conducted in the financial year
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 13.6

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	: Minutes of general meetings will be published in the Company's website at www.mgrc.com.my under respective Annual Reports under "Investor Relations", to enable shareholders to gain access to the matters transpired during the general meetings including the rationale and salient facts, which shall be made available no later than 30 business days after the general meeting is conducted.
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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