

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0319
COMPANY NAME : VETECE HOLDINGS BERHAD
FINANCIAL YEAR : August 31, 2025

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>Vetece Holdings Berhad (“VTC” or “Company”) is collectively headed by an experienced and effective Board of Directors (“the Board”) which is responsible for the stewardship and business affairs of the Group.</p> <p>The Board is guided by its Board Charter in discharging its fiduciary duties and responsibilities. The Board Charter has clearly set out a structured guideline that includes, but not limited to the following:-</p> <ul style="list-style-type: none">• The composition of the Board;• The roles and responsibilities of Board including formal schedule of matters reserved for the Board’s Decision.• Delegation of its authority to various Board Committees; and• Board practices pertaining to meetings, code of conduct, and Whistle-Blowing Policy <p>To ensure effective discharge of its stewardship role, the Board has established three (3) Board Committees, namely Audit and Risk Management Committee (“ARMC”), Nomination Committee (“NC” and Remuneration Committee (“RC”), to support the Board with oversight functions in selected responsibilities areas. The Board Committees are guided by their respective Terms of Reference (“TOR”) approved by the Board. The Board Committees report to the Board on matters considered and their recommendations thereon. The ultimate responsibility for the final decision on all matters, however, lies with the Board.</p> <p>The Board Charter and TOR for all Board Committees are published on the website of the Company https://www.vtcholding.com/.</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 1.2

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>The Board is chaired by Mr Thomas Chew Hock Hin, an Independent Non-Executive Chairman.</p> <p>He plays a vital role in leading the Board in oversight of management, representing the Board to shareholders and chairing general meeting of shareholders.</p> <p>The responsibilities of the Chairman of our Board include, but are not limited to, the following:-</p> <ul style="list-style-type: none">a. Leadership to the Board so that the Board can perform its responsibility effectively;b. Setting up the Board meeting agenda and ensure that the Board member receive complete and accurate information in a timely manner;c. Encouraging active participation and allowing dissenting views to be freely expressed;d. Leading the Board in adoption and implementation of good corporate governance practices in the Group; ande. Ensuring effective communication with shareholders and relevant stakeholders <p>The detailed roles and responsibilities of the Chairman of the Board are stated in the Board Charter, which is published on the website of the Company at https://www.vtcholding.com/ and is subject to periodic 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

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 roles of the Chairman, Executive Vice Chairman and the Chief Executive Officer ("CEO") are distinct and held by separate individuals, to ensure a balance of power and authority so that no one individual has unfettered powers of decision making.</p> <p>Mr Thomas Chew Hock Hin, the Independent Non-Executive Chairman, leads and manages the Board by focussing on governance and compliance matters of the Group.</p> <p>Mr Tee Chee Chiang, the Executive Vice Chairman is responsible for strategic planning, business development and overseeing the Group's business operations, formulation of high level strategies and directing the Company's overall growth.</p> <p>Mr Chan Wai Hoong, the CEO focusses on the day-to-day management of the business of the Group and is responsible for implementation of the Board's policies and decisions.</p> <p>The details of the roles and responsibilities of the Chairman and the CEO are specified in the Board Charter, which is available on the website of the Company at https://www.vtcholding.com/ and is subject to periodic 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

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	: Since its listing, the Company has appointed separate individuals to serve as Chairman of the Board and as Chairman of its Board Committees. The Chairman of our Board is Mr Thomas Chew Hock Hin, an Independent Non-Executive Chairman is not a member of any of the Board Committees. The Company has set out in its Board Charter that the Chairman should not be involved in the Board Committees of the Company to ensure there is check and balance as well as objectives review by the Board.
Explanation for departure	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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>Presently, the Board is supported by two (2) qualified and competent Company Secretaries, namely Tai Yit Chan (MAICSA 7009143 & SSM Practicing Certificate No. 202008001023) and Ms Tan Ai Ning (MAICSA 7015852 & SSM Practicing Certificate No. 202008000067). Both Company Secretaries have the requisite credentials and are qualified to act as Company Secretary under Section 235(2) of the Companies Act 2016 and undertake continuous professional development.</p> <p>Roles and responsibilities of the company secretaries include, but are not limited to the following:</p> <ul style="list-style-type: none">• Manage the logistics of all Board and Board Committees meetings, attend and record minutes of all Board and Board Committee meetings and facilitate Board communications;• Guide the Board on its roles and responsibilities and on corporate disclosures and compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and other relevant rules and regulations;• Monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations; and• Serve as a focal point for stakeholders' communication and engagement on corporate governance issues. <p>The Company Secretaries advise our Board on its roles and responsibilities and keep our Board updated on matters relating to new statutory and regulatory requirements and corporate governance and promptly disseminate communications received from the relevant regulatory / governmental authorities.</p> <p>In addition, the Company Secretaries ensure minutes are duly entered into the books for all resolutions and proceedings of all meetings of the Board. These minutes of meetings record the decision taken and the views of individual Board members and are signed by the Chairman of the meeting at which the proceedings are held or by the Chairman of the next succeeding meeting.</p>

	<p>Our directors have unrestricted access to the advice and services of our Company Secretaries to enable them to discharge their duties effectively.</p> <p>The appointment and removal of the Company Secretaries must be approved by the Board.</p> <p>The roles and responsibilities of Company Secretaries are set out in the Board Charter, which is accessible on the Company's website at https://www.vtcholding.com/.</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

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>The Board members have full and unrestricted access to all information within the Group. The Notice of the Board Meeting is served at least seven (7) days prior to the Board Meeting. Relevant Board papers were circulated to all Directors at least five (5) business days prior to the Board Meeting so that the Board has sufficient time to deliberate on the issues to be raised at the meeting so as to discharge their duties diligently.</p> <p>In addition to the provision of meeting materials, Directors may seek independent professional advice if necessary, at the Company's expenses in the furtherance of their duties.</p> <p>The Board papers which include the agenda and reports cover amongst others, areas of strategic, financial, operational and regulatory compliance matters that require the Board's approval.</p> <p>All proceedings of the Board meetings are duly minted and circulated to all Directors for their perusal prior to confirmation of the minutes by the Chairman as a correct record. If one or more Directors request for their opinion to be noted, the Company Secretaries shall comply with such request.</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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter adopted by the Board serves as a source of reference and primary guide to the Board as it sets out the role, functions, composition, operation and processes of the Board. There is a schedule of matters specifically reserved for the Board's decision set out in the Board Charter.</p> <p>The purpose of the Board Charter is to promote high standards of corporate governance and is designed to provide guidance and clarity for Directors and management with regard to the role of the Board and its committees.</p> <p>The Board Charter is subject to review by the Board as and when necessary to ensure it complies with all applicable laws, rules and regulations of the regulators and remains consistent with the policies and procedures of the Board. The Board Charter is accessible on the website of the Company at https://www.vtcholding.com/.</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 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 Company has adopted a Code of Conduct for its Directors, management and all employees of the Group ("Personnel") in discharging their duties and responsibilities. The Codes are established to serve as a guidance to Personnel to recognise and deal with ethical issues and promote the corporate culture which engenders ethical conduct that permeates throughout the Group.</p> <p>The Code includes, <i>inter alia</i>, matters relating to conflicts of interest, proper use of Group's assets and properties and prohibited activities or misconduct.</p> <p>The Board had also established the Anti Bribery and Corruption Policy ("ABC Policy") and the Whistleblowing Policy which aim at promoting good business practices, ethical behaviour and healthy corporate culture within the Company.</p> <p>The Board will review and update the Code from time to time to ensure that it remains relevant and effective. The Codes are available at the website of the Company at https://www.vtcholding.com/.</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 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	:	<p>The Company has formalised Ethics and Compliance Whistleblowing Policy and Procedures (“Whistleblowing Policy”) which is available on the website of the Company at https://www.vtcholding.com/.</p> <p>The Whistleblowing Policy provides an avenue for all Directors, employees, and stakeholders of the Group to disclose or report any improper conduct and to provide protection for them who report such allegations.</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 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	:	<p>One of the key responsibilities of the Board under its Board Charter is to review and adopt strategic plan and direction of the Group including restructuring or streamlining corporate business and strategic alliances to support the long-term value creation by taking into account the economic, environment and social ("EES") considerations underpinning sustainability and to ensure that such strategic plans and the risk, performance and sustainability thereon are effectively integrated and appropriately balanced.</p> <p>Therefore, 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. Meanwhile, the senior management will guide the strategic direction of the sustainability pursuits based on EES and so of the Group, while representatives from various business units are tasked to implement identified sustainability initiatives.</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 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	:	<p>The Board, via its disclosures in its Sustainability Statement in Annual Report 2025, strives to keep external stakeholders informed on the Group's sustainability strategies, targets, priorities as well as performance against these targets.</p> <p>All information regarding the Group's sustainability related matters, including key initiatives and activities, are disclosed in the Sustainability Statement of the Annual Report 2025 and is available at the website of the Company at https://www.vtcholding.com/.</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 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>All the Board members have attended the Bursa Malaysia's Mandatory Accreditation Programme II as a mandatory program for the Directors to complete in line with the Listing Requirements.</p> <p>The Board are committed to staying abreast with sustainability issues associated with the ever-evolving operating environment which are relevant to its business.</p> <p>This may include but is not limited to internal and external training and development programmes to be provided for the Board, as well as reading materials from international guidance and standards released.</p> <p>The Company Secretaries will also update the Board on the changes of the Listing Requirements upon receiving the circulars from Bursa Malaysia Securities Berhad ("Bursa Securities"), which are relevant to the Company and provide advice on corporate disclosures and compliances which includes understanding of sustainability issues.</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 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 performance evaluation of Board and senior management have incorporated a review in addressing and managing key sustainability risks and opportunities.
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	:	Not applicable

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	:	<p>The NC is entrusted by the Board to conduct an annual assessment on the Board's composition, as well as the effectiveness and performance of the Board, Board Committees, and individual Directors. As part of the evaluation, the tenure of each Director has been reviewed to ensure that the Board's composition aligns with the best interests of the Company and adheres to good corporate governance practices. The NC is satisfied that the current Board composition supports objective and independent deliberation, review, and decision-making.</p> <p>Furthermore, a fit and proper assessment was also conducted against the following Directors who are due for retirement and seeking for re-election at the forthcoming AGM of the Company:</p> <ol style="list-style-type: none">1. Mr Tee Chee Chiang2. Mr Thomas Chew Hock Hin <p>The NC is guided by its TOR which, <i>inter alia</i>, sets out the purpose, composition, roles and responsibilities, authority as well as the internal procedural matters for the NC, including to assess that the composition of the Board is refreshed periodically. A copy of the TOR is available on the Company's website at https://www.vtcholding.com/.</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 5.2

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	:	Presently, the Board consists of six (6) members, comprising of one (1) Independent Non-Executive Chairman, three (3) Independent Non-Executive Directors, one (1) Non-Independent Executive Vice Chairman and one (1) Non-Independent Executive Director. The Independent Directors constitute majority of the Board. The Board composition also complies with the ACE Market Listing Requirement ("AMLR") of Bursa Securities that require a minimum of two (2) Directors or one-third (1/3) of the Board, whichever is higher, to be Independent Directors. This also fulfils Practice 5.2 to have a board that comprises a majority of independent directors.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied
Explanation on application of the practice	:	At present, there is no Independent Directors serving beyond the cumulative terms of nine (9) years.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	: Applied
Explanation on application of the practice	<p>The Board, assisted by the NC, is committed to ensuring that the Board and Senior Management are sufficiently diverse and appropriately balanced.</p> <p>In making recommendation to the Board on the suitable candidature of Directors, the NC shall assess and consider the candidates':</p> <ul style="list-style-type: none">• Professionalism;• Existing number of directorships held, including on boards of non-listed companies;• Confirmation of not being an undischarged bankrupt or involved in any court proceedings in connection with the promotion, formation or management of a corporation or involving fraud or dishonesty punishable on conviction with imprisonment or subject to any investigation by any regulatory authority under any legislation;• Commitment (including time commitment);• Merit and against objective criteria with due regard for diversity in gender, age, experience, skills and cultural background;• Contribution and performance;• Background, character, integrity, and competence;• Any business interests that may result in a conflict of interest that may arise within the Company or the Group; and• In the case of candidates for the position of INEDs, the NC should also evaluate the candidates' ability to discharge such responsibilities / functions as expected from INEDs. In considering independence, it is necessary to focus not only a director's background and current activities qualify him or her as independent but also whether the Director can act independently of management. <p>In identifying candidates for appointment of Directors, the board does not solely rely on recommendations from existing Directors, management or major shareholders. The Board may utilise independent sources to identify suitably qualified candidates.</p>

	<p>If the selection of candidates was based on recommendations made by existing Directors, management or major shareholders, the NC will explain why these sources suffice and other source were not used.</p> <p>The Board devotes sufficient time to serve the Board effectively and the current composition of the Board does not consist of any active politician i.e. a Member of Parliament, State Assemblyman or holds a position at the Supreme Council or division level in a political party.</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

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

Practice 5.6

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

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

Application	: Applied
Explanation on application of the practice	<p>The Board through the NC is responsible for overseeing the screening and recruitment process and for making recommendations for new Director candidates. The nomination process for the appointment of Directors and the criteria used by NC in the selection process are provided in the TOR of NC.</p> <p>The Board may utilise a variety of independent sources including directors' registry, industry and professional association, open advertisement and independent search firm to identify suitably qualified candidates, if required.</p> <p>The current process with regards to the appointment of new Directors to our Board is based on the recommendation of NC. Our Board relies on the existing network and referrals from existing Directors, Key Senior Management and major shareholders as primary means to source for new Directors as they represent a tried and tested method of sourcing for high-calibre Directors with sound understanding of the business.</p> <p>During the Reporting Period, there was no addition of new director.</p> <p>The Board is mindful on this Practice and would consider utilising the independent sources to identify suitable qualified candidate, when necessary.</p> <p>The NC will explain why other sources were not used if the selection of candidate(s) was solely based on recommendation made by the existing Board members, Management or major shareholder, when necessary.</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 5.7

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	:	<p>The NC evaluated the performance, contribution, effectiveness, independence (where applicable), and overall fitness and propriety of the retiring Directors who are seeking for re-election.</p> <p>At the forthcoming second Annual General Meeting, the following Directors are subject to retirement and re-election in accordance Article 97 of the Company's Constitution.</p> <ol style="list-style-type: none">1. Mr Thomas Chew Hock Hin2. Mr Tee Chee Chiang <p>The profiles of Directors who are due for retirement and standing for re-election are detailed in the section on Directors' Profile of the Company's Annual Report for shareholders to make informed decision at the 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

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 chaired by Ms Tengku Munazirah Binti Tengku Abdul Samad Shah, an Independent Non-Executive Director.
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	:	<p>During the FYE 2025, the Board has six (6) Directors on the Board. Out of six (6) Directors, two (2) are female directors, namely Ms Lee Siew Mee and Ms Tengku Munazirah Binti Tengku Abdul Samad Shah, which constitute thirty-three percent (33%) female representation on the Board.</p> <p>The Board recognises the importance of boardroom diversity and acknowledges the MCCG recommendation to achieve at least 30% female representation on the Board.</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 5.10

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

Application	Applied			
Explanation on application of the practice	<p>Selection criteria for Directors and senior management are based on an effective integration of competencies, skills, extensive experience and knowledge in order to strengthen the Board and senior management. The Board and senior management possess a mix of financial and accounting, business administration and other backgrounds which when working in synergy, could provide the Company with considerable experience in a wide range of activities.</p> <p>The NC is entrusted with the responsibilities of spearheading the process of nominating and recommending potential candidates to our Board if there is any vacancy arising from resignation, retirement or any other reasons or if there is a need to appoint additional Directors with the required criteria based on the recommendation from existing Directors, key senior management or major shareholders.</p> <p>The NC shall review the suitability of candidates based on the skills, knowledge, expertise and experience, professionalism, integrity and in the case of candidates for the position of INEDs, our NC shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from INEDs. The current diversity of the Board in terms of nationality, age, and gender is as follows:</p>			
	Gender		Nationality	
No. of Directors	Male	Female	Malaysian	Foreigner
	4	2	6	-
Age	30 to 40	40 to 50	50-60	
No. of Directors	1	2	3	
The appointment of Key Senior Management is carefully evaluated, with decisions based on internally-established criteria that encompass skill sets, integrity, and leadership qualities, aligned with their job descriptions. Additionally, diversity in experience, age and gender will also be considered. The current diversity of Key Senior Management is detailed in the table below:				

	Gender		Nationality	
	Male	Female	Malaysian	Foreigner
	No. of Key Senior Management	-		-
	Age	30 to 40	40 to 50	50-60
	No. of Key Senior Management	-	4	-
	<p>According to the Company's Board Charter, a Board member may accept a directorship with other listed issuers while in office, provided that the appointment does not conflict with the Company's business or adversely impact the Director's performance on the Board. All such appointments must be reported to the Board Chairman prior to acceptance, including an estimate of the time commitment required for the new role. The company secretaries must also be notified of any new appointments.</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

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 Board, with the support of the NC and facilitated by the Company Secretaries, conducts an annual assessment to evaluate the effectiveness of the Board, its Committees and individual Directors. This assessment aims to identify any gaps and areas for improvement, ensuring continuous enhancement of the Board's governance and oversight capabilities.</p> <p>The evaluation was conducted on self and peer evaluation model through customised questionnaires that set out the assessment criteria as reviewed by the NC, which covered areas such as the Board mix, Board composition, quality of information and decision making, Boardroom activities and Board relationship with management. For individual Director assessment, the assessment includes evaluation of character, experience, integrity, competence and time commitment, independent Directors are also required to evaluate their level of independence based on the criteria of independence of Listing Requirements.</p> <p>Subsequently, the responses were compiled and summarized by the Company Secretaries and the summarized results were then presented to the NC for comprehensive review and discussion.</p> <p>Following the NC's review, the Board Assessment results were presented to the Board for further discussion and endorsement. All deliberations by the NC and the Board regarding the assessment outcomes were thoroughly documented to ensure transparency and accountability.</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 level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has in place a Directors' Remuneration Policy which sets out the criteria applied in recommending the remuneration package of the Directors (including the remuneration of Non-Executive Directors which requires shareholders' approval) and Senior Management of the Group. The Company's policy on Directors' remuneration is to set remuneration at levels which are sufficient to attract and retain Directors and Senior Management needed to run the Company successfully, taking into consideration all relevant factors including the function, workload and responsibilities involved, but without paying more than is necessary to achieve this goal.</p> <p>The Directors' Remuneration Policy is available for reference at https://www.vtcholding.com/.</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 7.2

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

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

Application	:	Applied														
Explanation on application of the practice	:	The Board has established a RC which comprises of three (3) members, all of whom are Independent Non-Executive Directors. The composition of the RC are as follows:- <table border="1"><thead><tr><th>Name</th><th>Designation</th><th>Directorate</th></tr></thead><tbody><tr><td>Lee Siew Mee</td><td>Chairwoman</td><td>Independent Non-Executive Director</td></tr><tr><td>Ng Kim Kiat</td><td>Member</td><td>Independent Non-Executive Director</td></tr><tr><td>Tengku Munazirah Binti Tengku Abdul Samad Shah</td><td>Member</td><td>Independent Non-Executive Director</td></tr></tbody></table> The roles and responsibilities of the RC are set out in the RC's TOR, which is published on the Company's website https://www.vtcholding.com/ .			Name	Designation	Directorate	Lee Siew Mee	Chairwoman	Independent Non-Executive Director	Ng Kim Kiat	Member	Independent Non-Executive Director	Tengku Munazirah Binti Tengku Abdul Samad Shah	Member	Independent Non-Executive Director
Name	Designation	Directorate														
Lee Siew Mee	Chairwoman	Independent Non-Executive Director														
Ng Kim Kiat	Member	Independent Non-Executive Director														
Tengku Munazirah Binti Tengku Abdul Samad Shah	Member	Independent Non-Executive Director														
Explanation for departure	:															
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																
Measure	:															

Timeframe	:		
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Intended Outcome

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 disclosure on named basis for the remuneration of individual Director and breakdown of individual Director's remuneration such as fees, salary, bonus, benefits in-kind and other emoluments is made in the Corporate Governance Overview Statement in 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	
1	Thomas Chew Hock Hin	Independent Director	43,535	-	-	-	-	-	-	-	-	156,000	-	-	43,535
2	Tee Chee Chiang	Executive Director	-	-	-	-	-	-	-	-	-	264,000	-	-	187,013
3	Chan Wai Hoong	Executive Director	-	-	-	-	-	-	-	-	-	51,533	-	-	315,533
4	Ng Kim Kiat	Independent Director	39,035	-	-	-	-	-	-	-	-	-	-	-	39,035
5	Lee Siew Mee	Independent Director	39,035	-	-	-	-	-	-	-	-	-	-	-	39,035
6	Tengku Munazirah Binti Tengku Abdul Samad Shah	Independent Director	33,862	-	-	-	-	-	-	-	-	-	-	-	33,862

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	<p>Due to confidentiality, talent retention challenges and personal security, the Board is of the view that it would not be in its best interest to make such disclosure on named basis in view of the competitive nature of human resource market and the Company should maintain confidentiality on employees' remuneration packages.</p> <p>As an alternative, the Board decided to disclose the Key Senior Management's remuneration on an unnamed basis in bands of RM50,000, as follows: -</p> <table border="1"><thead><tr><th>Range of Remuneration</th><th>No. of Key Senior Management</th></tr></thead><tbody><tr><td>RM200,000 – RM250,000</td><td>1</td></tr><tr><td>RM250,001 – RM300,000</td><td>0</td></tr><tr><td>RM300,001 – RM350,000</td><td>1</td></tr></tbody></table>	Range of Remuneration	No. of Key Senior Management	RM200,000 – RM250,000	1	RM250,001 – RM300,000	0	RM300,001 – RM350,000	1
Range of Remuneration	No. of Key Senior Management								
RM200,000 – RM250,000	1								
RM250,001 – RM300,000	0								
RM300,001 – RM350,000	1								
<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.				
2	Input info here	Input info here	Choose an item.	Choose an item.				
3	Input info here	Input info here	Choose an item.	Choose an item.				
4	Input info here	Input info here	Choose an item.	Choose an item.				
5	Input info here	Input info here	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						
2	Input info here	Input info here						
3	Input info here	Input info here						
4	Input info here	Input info here						
5	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	:	<p>The ARMC consists of three (3) members, all of whom are the INEDs. Mr Ng Kim Kiat chairs the ARMC, whilst Mr Thomas Chew Hock Hin is the Chairman of the Board. This separation of roles allows the Board to objectively review the ARMC's findings and recommendations.</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 9.2

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	:	<p>The ARMC recognises the importance to uphold the independence of its external auditors and that no possible conflict of interest whatsoever should arise. The ARMC has included in Section 2.0 of its TOR the cooling off period of at least three (3) years for a former key audit partner to observe before being appointed as a member of the AC.</p> <p>Presently, none of the ARMC members were former audit partners of Messrs. Baker Tilly Monteiro Heng PLT.</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 9.3

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 is responsible for assessing the capabilities and independence of the External Auditors and recommending their appointment, re-appointment or termination of their service to the Board.</p> <p>As stated in the TOR of the ARMC, the ARMC is to assess the competence, audit quality, independence and suitability of the External Auditors and the appropriateness of audit fees to support a quality audit.</p> <p>In addition, the TOR of ARMC has determined that the provision of non-audit contracts which cannot be entered into with the External Auditors in order to safeguard the independence and objectivity of External Auditors.</p> <p>The ARMC satisfied with the external auditors' performance, technical competence and independence, the ARMC recommended to the Board the re-election of Messrs. Baker Tilly Monteiro Heng PLT for shareholders' approval at the forthcoming 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	:	As to date, the ARMC of the Company comprises solely of Independent Directors. The composition of the ARMC is as follows:-		
Name	Designation	Directorate		
Ng Kim Kiat	Chairman	Independent	Non-Executive Director	
Lee Siew Mee	Member	Independent	Non-Executive Director	
Tengku Munazirah Binti Tengku Abdul Samad Shah	Member	Independent	Non-Executive Director	

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	:	<p>The ARMC members possess a broad range of skills, experience, and expertise, including financial knowledge across various industries, to effectively carry out their designated duties and responsibilities in alignment with the Group's mission and vision. Mr Ng Kim Kiat, the Chairman of the ARMC, is a member of Malaysian Institute of Accountants (MIA). He has over 30 years experience particularly in auditing, financial accounting and advisory services, which brings to the ARMC and Board his extensive experience in financial management.</p> <p>Detailed information on the qualifications and experience of the ARMC members are disclosed in the Board of Directors' Profile on page [●] to page [●] of the Annual Report.</p> <p>The training programs that the members of the ARMC have attended during the financial year ended 31 August 2025 are disclosed in the Corporate Governance Overview Statement on page [●] and [●] of the Annual Report.</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 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board assumes its overall responsibility in establishing a risk management framework and maintaining a sound system of risk management and internal control throughout the Group which provides reasonable assurance in ensuring the effectiveness and efficiency of the Group's operations that is not limited to financial aspects of the business but also operational and regulatory compliance. The ARMC have been delegated with responsibilities of managing the risks and establishment of the internal control system and processes of the Group. The ultimate objectives of risk management and internal control system are to protect the Group's assets and safeguard shareholders' investments.</p> <p>The Board acknowledges that risk management and internal control system is devised to cater for particular needs of the Company and risk management system is to provide reasonable assurance against material misstatements or loss.</p> <p>The Group has outsourced the internal audit function to an independent professional services firm, Resolve IR Sdn Bhd ("Resolve IR" or "Outsourced Internal Auditors"), which reports directly to our ARMC. Activities of the outsourced Internal Audit Function are undertaken in accordance with the approved annual internal audit plan that was approved by the ARMC. findings of internal audits and recommendations for improvement to rectify any issue arising will be presented in ARMC Meeting.</p> <p>Any significant issue affecting the existing or emerging business risks as well as the changes to the action plans to address the risks identified, will be discussed during the ARMC meetings and will be brought to the attention of the Board by the Chairman of ARMC.</p> <p>The Statement of Risk Management and Internal Control as set out in this Annual Reports provides an overview of the state of risk management and internal controls within the Group.</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

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	:	Key features of the risk management and internal control system together with its adequacy and effectiveness are set out in the Statement of Risk Management and Internal Control in the Company's Annual Report 2025.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has engaged Resolve IR, a professional services firm, which is independent of the activities and operations of the Group, to assist the ARMC in undertaking systematic and independent assessment on the adequacy and effectiveness of the Group's system of internal control. Resolve IR reports directly to the ARMC and administratively to the Group Credit Controller.</p> <p>Details of the Internal Audit function are set out in the ARMC Report in the 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 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>The Company has outsourced its internal audit function to Resolve IR to provide internal audit services to the Group. Resolve IR is free from any relationship or conflict of interest that could impair its objectivity and independence.</p> <p>Resolve IR is led by Mr Choo Seng Choon (“Mr Choo”), who is a Certified Internal Audit and a Chartered Member of Institute of Internal Auditor, Malaysia. He is also a Fellow Member of the Association of Chartered Certified Accountant, United Kingdom, a Chartered Accountant of the Malaysian Institute of Accountants and a Certified Public Accountant of the Malaysian Institute of Certified Public Accountants (MICPA). Mr Choo has experience in multi disciplines including internal audit, risk management, corporate governance, performance & business management, IPOs, taxation, due diligence and corporate finance.</p> <p>Resolve IR is adequately resourced with more than 30 personnel having the appropriate qualifications and experiences. The outsourced internal audit function is guided by the International Professional Practice Framework on Internal Auditing issued by the Institute of Internal Auditors.</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>The Board recognises the importance of effective, transparent, regular and timely communication with the shareholders, stakeholders and the general public.</p> <p>Demonstrating a strong commitment, the Board diligently works to keep shareholders and stakeholders well-informed about the Company's business operations and corporate developments. This commitment is upheld by delivering informative, appropriate, and timely communication from the Company. Information is disseminated through various channels, including quarterly and annual financial reports, official announcements, press releases, and more, ensuring that investors stay updated on the Group's latest developments.</p> <p>The Group maintains a corporate website, at https://www.vtcholding.com/ This online platform serves as a hub for shareholders, consumers, and the general public, facilitating easy access and promoting transparency and engagement.</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	:	The Company is not under the category of a large company as defined under Malaysian Code of Corporate Governance.
<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>The Second Annual General Meeting (“AGM”) of the Company will be held on 29 January 2026 and the Notice of the Second AGM accompanying the Annual Report 2025 of the Company will be issued to the shareholders and published on a nationally circulated newspaper at least twenty-eight (28) days prior to the date of the forthcoming Second AGM. This also complies with the twenty-one (21) days’ notice requirement as required under the Companies Act 2016.</p> <p>The Notice of AGM will be accompanied with explanatory notes to shareholders regarding their entitlement to attend the AGM and their rights to appoint a proxy as well as detailed explanations for each resolution to be tabled at the AGM to enable shareholders to make informed decision in exercising their voting right.</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	:	<p>The First AGM was physically convened on 19 February 2025, allowing for better engagement and two-way communication with shareholders and proxyholders.</p> <p>All Directors and key senior management attended the First AGM to engage and interact directly with shareholders and proxyholders, fulfilling their stewardship responsibilities to the Company.</p> <p>During the First AGM, the Chairman of the Board and the Directors responded to and addressed all questions raised during the 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

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 First AGM was physically held at on 19 February 2025. The Board has opted for a physical platform to facilitate better engagement with shareholders as it allows better flow of two-way communication at general meeting.</p> <p>Adequate notice of meeting was provided to all shareholders, and shareholders who were unable to attend the general meeting were allowed to appoint their proxies to attend, participate, speak, and vote at the AGM in their stead.</p> <p>In line with the intended outcome of this practice, the Board will consider adopting technology to enable voting in absentia and remote participation for shareholders in future general meetings when necessary.</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	<p>The Chairman of First AGM ensured that sufficient opportunities were given to shareholders to raise issues relating to the affairs of the Company by providing ample time for the Question and Answer ("Q&A") session. The Board endeavours to provide clear and meaningful responses to questions posed to them by shareholders at the AGM.</p> <p>The Board encouraged active participation from shareholders in the general meeting by raising questions during the Q&A session.</p> <p>The questions raised by the shareholders and the answers provided by the Board and Senior Management during the First AGM were uploaded to the Company's website.</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 13.5

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

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.

Application	Not applicable – only physical general meetings were conducted in the financial year
Explanation on application of the practice	
Explanation for departure	
<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.

Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.

Application	:	Applied
Explanation on application of the practice	:	Minutes of the First AGM held on 19 February 2025 was made available on the Group's website not later than thirty (30) business days following the convening of the First 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	:	

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

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

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