

CORPORATE GOVERNANCE REPORT

STOCK CODE : 3107
COMPANY NAME : Fima Corporation Berhad
FINANCIAL YEAR : March 31, 2026

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	:	1. The primary role of the Board of Directors (Board) is to lead and control the Company and its subsidiaries' ("Group") operations and affairs and to protect and enhance long-term shareholders' value. The Board is collectively responsible for the setting of the overall strategy and the success of the FimaCorp Group. 2. The duties, powers and functions of the Board are governed by the Company's Constitution, the Companies Act 2016, Bursa Malaysia Securities Berhad's Main Market Listing Requirements (Bursa Listing Requirements) and other regulatory guidelines and requirements that are in force. 3. In discharging its responsibilities effectively, the Board is also guided by the Board Charter. The Charter sets out matters specifically reserved for the Board's decision. The Constitution and Board Charter can be found on the Company's website at http://www.fimacorp.com/corporate-governance.php. 4. As guided by the Board Charter, the Board assumes, amongst others, the following duties and responsibilities: • reviewing and adopting the overall strategic plans and programmes for the Group. • overseeing and evaluating Group's business operations and financial performance. • identifying and managing principal risks affecting the Group and ensuring that the operating infrastructure, systems on internal controls and systems to identify significant financial and non-financial risks, are in place and implemented. • promoting a culture of integrity, compliance and responsible conduct throughout the Group, which shall inter-alia include establishing appropriate policies and procedures to manage bribery and corruption risks. The Board has endorsed the Anti-Bribery policy which is available on the Company's website. • providing input into and final approval of the annual operating budget. • approving major capital expenditure, capital management and acquisitions/divestitures.

	• ensuring that appropriate plans are in place in respect of the succession plan of the Group. • promoting sustainability through appropriate environmental, social and governance considerations in the Group's strategies. 5. The Board delegates its powers and authorities from time to time to Committees in order to ensure the operational efficiency and specific issues are being handled with relevant expertise. The Board has established the Audit and Risk Committee (ARC) and Nomination and Remuneration Committee (NRC) as principal standing Committees of the Board. Each Committee has its specific duties and authorities set out in its own Terms of Reference which can be viewed on the 'Investors' page of the Company's website. Their Terms of Reference are regularly reviewed and updated as required. These Committees have the authority to examine particular issues and report to the Board on their proceedings and deliberations together with their recommendations as well as approval authority for matters specifically delegated by the Board to the Board Committees. However, the Board has the ultimate responsibility for final decisions on all matters. The latest activities of each committee are set out in the Corporate Governance Overview Statement of the Annual Report 2026. 6. The Board has also established other committees to assist the Board in managing the Group's activities: (i) <u>Risk Steering Committee (RSC)</u>: is a sub-committee of the ARC. The RSC supports the ARC in developing and implementing the Group's risk management and internal control framework, which includes policies and procedures for detecting, reporting and preventing breaches of conduct, whistleblowing and bribery as well as corporate responsibility and sustainability programmes. The RSC advises the ARC and the Board on high-risk areas and the adequacy of compliance and control procedures throughout FimaCorp Group. The RSC's Term of Reference can be viewed on the 'Investors' page of the Company's website. The RSC is a sub-committee of the Audit and Risk Committee. A Risk Coordinator acts as a central contact and guide for enterprise risk management (ERM) related issues within FimaCorp Group, including but not limited to: (a) coordinating ERM routinely within the Group; and (b) facilitating and supervising the development and implementation of policy, procedures and strategies relating to ERM. The Group Risk Management Unit (GRMU), headed by the Chief Financial Officer, monitors and reports on the effectiveness of risk mitigation measures, as well as providing recommendations for improvement. The GRMU is supported by a Risk Officer, whose appointment was approved by the ARC during the year. Through the GRMU, we aim to foster a proactive approach to risk management and strengthen the Group's overall risk resilience.
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	(ii) <u>Group Sustainability Committee (GSC)</u>: assists the Board to meet its oversight responsibilities in relation to the Group's sustainability initiatives and performance. Its roles and responsibilities include reviewing and making recommendations to the Board on the Group's policy and performance in relation to the environment, social and governance matters. The GSC also oversees how the Group's sustainability programmes align and support business goals and aspirations, and monitors the progress thereof. The GSC reports directly to the Audit and Risk Committee (ARC). The GSC's Terms of Reference can be viewed on the 'Investors' page of the Company's website. (iii) <u>Group Investment Committee (GIC)</u>: assists the Board in reviewing potential new business opportunities and investments proposed by Group management, and providing initial in-principal support before any detailed negotiations and workstreams can commence. (iv) <u>Disclosure Committee</u>: assists the Board in ensuring the Group's compliance with its continuous disclosure obligations and overseeing the Company's disclosure practices. (v) <u>Ad Hoc Committees & Team</u>: they are temporary groups formed to address specific tasks/projects/assignment within the Group. They may also be authorised to exercise specific powers delegated by the Board. The Board entrusts the day-to-day operation and administration of the Company and its subsidiaries to the Managing Director. Senior management, led by the Managing Director, is responsible for managing the Group's daily activities. They play a critical role in ensuring the Board receives the information required for informed decision-making. This includes reporting on the Company's performance, implementation of the Group's strategy and ESG considerations. Despite this delegation of authority, the Board maintains ultimate responsibility for the overall performance of the Group. 7. The Board in discharging its responsibilities in overseeing the overall management of the Group has, during the year under review, undertaken the following: <u>Approved:</u> - the Group budget for the financial year 2026/27 and business plan for financial year 2027/28 to 2030/31, key performance targets/indicators and Group corporate strategy. - the quarterly financial results and annual Audited Financial Statements and the Directors' Report. - the amount, nature and timing of the dividend to be paid. - resolutions to be put to shareholders at the 50th Annual General Meeting held on 28 August 2025. - major acquisitions, investments and capital expenditure. - draft statements for the FYE2025 Annual Report and Circular/Statement to the Shareholders.
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	• FYE2025 annual increment and performance reward for the Managing Director and Group employees. • payment of ex-gratia to Group employees. • the Managing Director's key performance indicators for financial year 2026. • new and renewal of recurrent related party transactions/related party transactions entered into by the Group and any potential or perceived conflicts of interest (COI). • bank mandates and treasury-related matters. • the Group's solvency and financial position. • audit plan for the Group including audit and non-audit fees for FYE2026 based on the recommendation of the ARC. • adoption of the Board annual outline agenda. • re-appointment of Messrs Ernst & Young PLT as the Company's auditors and for the same to be put for shareholders' approval at the AGM. • intercompany procurement transactions. <u>Reviewed and considered:</u> • the Group's Quarterly Performance Report pertaining to the Group's actual financial and operational performance versus planned performance and other key financial and operational performance indicators. • Board, Board Committees, individual Directors, external and internal auditors' annual assessment. • New and renewal of recurrent related party transactions/related party transactions entered into by the Group and any potential or perceived COI. • composition of the Board and Independent Directors and the time commitment given by the Directors in fulfilling their responsibilities as Directors and members of Board Committees. • progress made in implementing the strategies established at the Board Retreat. • divisional strategic updates. • status of material litigation. • summary of industrial relations/accidents cases and whistleblowing complaints received through the whistleblowing channels. • the disclosure on dealings by Directors in the Company's securities. • the succession planning of the Group's senior management and Group support functions. • half-yearly review of the Group's ESG performance. • half-yearly review of the Group's ERM Report. 8. The Managing Director maintains regular contact with all Directors. Summary of monthly management accounts and other updates are also sent to Non-Executive Directors to keep them informed of the events throughout the Group between Board meetings which ensure that they are kept fully advised of the latest issues affecting the Group. 9. The Company provides Directors with the necessary resources to maintain and enhance Director's knowledge and capabilities in discharging their duties. All Directors have access to the advice and services of the Company Secretaries who are responsible to the Board for advising on all governance matters, Board procedures and
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compliance with applicable rules and regulations. The Directors, with the consent from the Chairman, are allowed to take external independent professional advice concerning the affairs of the Group at the Company's expense. The Board also has access to senior management at any time to request relevant information.

10. Directors are encouraged to attend continuing education programmes and seminars to keep themselves abreast with current developments in the marketplace and with new statutory and regulatory requirements. The training programmes attended by Directors during FYE2026 were as follows:

Director	Training Attended	Date Held
Datuk Bazlan bin Osman (Chairman)	Liberation Day Tariff - Malaysia Context organized by BIMB Securities	7 April 2025
	Emerging Climate and Nature Priorities organised by BIMB	7 April 2025
	Fair Treatment of Financial Consumers (FTFC) organised by BIMB	7 April 2025
	Engagement Session with YB MITI Minister: Navigating US Tariffs - Building Trade and Investment Resilience organised by Bursa Malaysia	11 April 2025
	Global Headwinds vs Domestic Resilience: Refreshed organised by Bursa/CIMB/KL Business Club	14 April 2025
	Managing in an era of uncertainty organised by Oliver Wyman	16 April 2025
	ACCA 2025 Virtual Conference - Powering Sustainable Business- Smart Strategy, Clear Reporting & Cutting Edge Tech organised by ACCA	29 April 2025
	AI Leadership Conference organised by PricewaterhouseCoopers	13 May 2025
	MIA Conference 2025 - Collaborative Leadership for a Sustainable Future organised by Malaysian Institute of Accountants	26-27 May 2025
	The Influence of Board Culture on Corporate Governance organised by FIDE	5 June 2025
	DTW Ignite - Pathways to Growth organised by TM Forum	17-19 June 2025
	Invest ASEAN Conference 2025 organised by Bursa Malaysia	1 July 2025
	Market Outlook: Digital Innovation Trends by Khurram Shahzat, Gartner organised by Telekom Malaysia Berhad	21 July 2025
	Industry Success Story: Digital Transformation Journey- Beyond Carrier Transformation by SoftBank organised by Telekom Malaysia Berhad	21 July 2025
	Operational Resilience by Oliver Wyman organised by BIMB	30 July 2025

	Datuk Bazlan bin Osman (Chairman) (Cont'd.)	- Invest Shariah Conference 2025 - Innovating Islamic Finance- Unlocking Global Investment Potential organised by Bursa Malaysia - Engagement with Samsung@Samsung Campus, Samsung Innovation, AI Zine Tour, Ex Home Tour, Biz Solution Showcase Centre and Retail Experience & Service Centre organised by Samsung - Engagement with SK Telecom (SKT) and T.urn Tour/ SKT Experience Centre organised by SK Telecom (SKT) - Engagement with Hyundai Motors on shift from product to ecosystem and AI & technology organised by Hyundai - Engagement with CERAGEM, a leading South Korean global healthcare organised by CERAGEM - Engagement with I scream EDU - digital education Co organised by Kileon - BIMB Directors' Conference - Driving Innovation and reinvention: Leading through Business Transformation organised by BIMB - Smart City Expo Kuala Lumpur organised MDEC - Economic & Market Outlook For 2025-2027 - UBS Securities Malaysia organised by Bursa Malaysia Berhad - FMI Trends, Opportunities and Risks - Oliver Wyman organised by Bursa Malaysia Berhad - Bolstering Cybersecurity & Resilience - Mandiant Consulting organised by Bursa Malaysia Berhad - Khazanah Megatrends Forum organised by Khazanah Nasional Berhad - Board Accountability in AML Governance, FATF Expectations, Beneficial Ownership and Compliance Culture organized by BIMB - Whistleblowing oversight: Strengthening Board Accountability and Ethical Governance organized by BIMB - TM Integrity Day 2025 organized by Telekom Malaysia Berhad - Anti Money Laundering and Combating Financing of Terrorism by Khurram Pirzada, Partner, Forensic, KPMG Malaysia organized by Bursa Malaysia Berhad - Digital Asset & Crypto - Regulatory, Operational & Products by Angelina Kwan, CEO Stratford Finance Ltd organized by Bursa Malaysia Berhad	7 August 2025 2 September 2025 3 September 2025 3 September 2025 4 September 2025 4 September 2025 11 September 2025 17 September 2025 29 September 2025 29 September 2025 29 September 2025 6-7 October 2025 8 October 2025 8 October 2025 11 November 2025 27 November 2025 12 December 2025	
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	Dato’ Roslan bin Hamir	- Argus Biofuels Europe Conference & Exhibition organised by Argus Media Group - Amended Personal Data Protection Act 2024 (PDPA) organised by Western and Central Pacific Fisheries Commission - Fima ESG Weeks 2026 organised by Kumpulan Fima Berhad	20 - 22 October 2025 1-3 December 2025 19-23 Jan 2026
	Rezal Zain bin Abdul Rashid	- Capital Market Conference 2025 organised by Malaysian Institute of Accountants - National Sustainability Reporting Framework Symposium organised by Malaysian Institute of Accountants - Fima ESG Weeks 2026 organised by Kumpulan Fima Berhad	26 June 2025 28 October 2025 19-23 January 2026
	Dr. Roshayati binti Basir	- Provision of Financial Assistance - Complete Guide organised by CKM Advisory Sdn Bhd - Key Disclosure Obligations of a Listed Company organised by CKM Advisory Sdn Bhd - Fima ESG Weeks 2026 organised by Kumpulan Fima Berhad	4 December 2025 10 December 2025 19-23 January 2026
	Rosely bin Kusip	Key Disclosure Obligations of a Listed Company organised by CKM Advisory Sdn Bhd	10 December 2025
	Nik Feizal Haidi bin Hanafi	- Key Disclosure Obligations of a Listed Company organised by CKM Advisory Sdn Bhd - Fima ESG Weeks 2026 organised by Kumpulan Fima Berhad - Dealmaking in Volatile Times: High-Level M&A Oversight for Leaders organised by ICDM	10 December 2025 19-23 January 2026 4 February 2026
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	:	1. Datuk Bazlan bin Osman is the Chairman of the Board and is an Independent Non-Executive Director. His profile is available under Our Board of Directors section of the Company's Annual Report 2026. 2. The Board Charter sets out specific roles and responsibilities of the Chairman, which include: • leading the Board in setting the values and standards of the Company. • maintaining a relationship of trust with and between the Executive and Non-Executive Directors. • ensuring the provision of accurate, timely and clear information to Directors. • ensuring effective communication with shareholders and relevant stakeholders. • arranging regular evaluation of the performance of the Board, its Committees and individual Directors. • facilitating the effective contribution of Non-Executive Directors and ensuring constructive relations be maintained between Executive and Non-Executive Directors. • facilitating the on-going development of all Directors. The Board Charter is available on the Company's website at http://www.fimacorp.com/corporate-governance.php. 3. The Chairman ensures the Board operates effectively in all aspects of its role, uphold high standards of corporate governance and create an environment where Non-Executive Directors can speak freely and contribute meaningfully. He also ensures sufficient time is allocated for thorough discussion of all agenda items especially strategic matters and fosters a culture of openness and debate on the Board. 4. The Chairman engages with Board members, management and the Company Secretaries to ensure that the Board can perform its responsibilities effectively. 5. The Board Evaluation Effectiveness (BEE) exercise for FYE2026 concluded that the Chairman displayed strong leadership and was able to foster healthy and productive discussion. Board meetings were conducted professionally, opposing views were able to be heard, as well as ensuring independent views, balance and objectivity.

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	:	1. The positions of Chairman and Managing Director are held by different individuals. The distinct and separate roles and responsibilities of the Chairman and Managing Director are clearly established and set out in the Board Charter which is available on the 'Investors' page of the Company's website. The scope of each of these roles is approved and kept under review by the Board so that no individual has unfettered decision-making powers. The division of responsibilities would ensure sufficient time commitment of the Chairman and Managing Director to allow effective discharge of their respective duties. 2. The Chairman of the Board, Datuk Bazlan bin Osman, is an Independent Non-Executive Director. He is responsible for inter-alia, the leadership and governance of the Board and ensuring that the strategies and policies agreed by the Board are effectively implemented by the Managing Director and management. 3. Dato' Roslan bin Hamir (Dato' Roslan), the Managing Director, is responsible for ensuring the smooth running and efficient operation of the Company's day-to-day activities. Dato' Roslan is responsible for the implementation of policies approved by the Board and is required to report and discuss at Board and/or Board Committees meetings all material issues currently or potentially affecting the Group and its performance. Dato' Roslan is empowered to delegate the responsibilities entrusted to him as he sees fit. He is supported by the senior management team that collaborates and work together to implement the Company's strategies and oversee the group's operations. When necessary, senior management is invited to attend Board and/or Board Committees meetings to provide clarifications or engage in discussions with Board members on specific agenda items in order for the Board and/or Board Committees to make an informed decision. Nevertheless, the Board maintains ultimate responsibility for the group's overall strategy and control. 4. The Managing Director engages regularly with the Chairman to update on issues affecting the Company/business units and performance trends.
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
Application	:	Applied
Explanation on application of the practice	:	The Chairman of the Board, Datuk Bazlan bin Osman is not a member of the ARC or the NRC.
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	:	1. Jasmin binti Hood (Jasmin) and Muhammad Fadzlilah bin Abdul Ra'far (Fadzli) are the Company's Company Secretaries. Jasmin holds a Company Secretary licence issued by the Companies Commission of Malaysia and is an affiliate of Malaysian Institute of Chartered Secretaries and Administrators while Fadzli is a member of the Malaysian Institute of Accountants. Both are qualified to act as secretary under Section 235(2) of the Companies Act, 2016. 2. The Company Secretaries are appointed by and is accountable to the Board on all matters to do with the proper functioning of the Board. They also serve as secretary for the Board Committees. All Directors have direct access to the advice and services of the Company Secretaries to support them in the discharge of their duties and responsibilities. 3. The role of the Company Secretaries include: • administer all Board and Board Committees meetings including the scheduling, taking of minutes, preparation of Board meeting/ Board Committees meeting materials and information supplied to the Board/Board Committees. • ensure information supplied to the Board such as meeting minutes are accurate, timely and adequate for the Board/Board Committees to carry out its function. • ensure proper record keeping of all deliberations and decisions of the Board and Board Committees. • accord the Board with regular updates and advice on changes to statutory and regulatory requirements including those related to governance matters. • facilitate a two-way communication between senior management and the Board to ensure Board's decisions are communicated in a timely basis. • facilitate the conduct of continuous professional development trainings for Directors including induction programmes for newly appointed Directors. • manage the general meeting processes. • serve as a focal point for stakeholders' communication and engagement on corporate governance issues. • support the Board and NRC by facilitating the Board effectiveness evaluation exercise.

	4. Company Secretaries are responsible for ensuring compliance with Board procedures and for the efficient and effective conduct of Board activities. They also play a key role in facilitating communication and flow of information among Directors, shareholders and management. 5. The Company Secretaries have oversight on overall corporate secretarial functions of the Group, both in Malaysia and the regions where the Group operates. 6. The Directors have unrestricted and timely access to the advice of the Company Secretaries to assist them to discharge their duties and responsibility effectively. 7. The Company Secretaries, in keeping abreast with the latest developments of all relevant laws/regulations have attended external training courses organised during FYE2026. The details are as follows: Seminar on MBRS Preparers 2.0: Financial Statement SSM National Conference 2025 Maicsa Annual Conference 2025 The Director’s & Company Secretaries Guide to Anti-Money Laundering Reporting Obligations The New Sormic Guide 2025: What it is all about & Its Implications to Listed Issuers, Directors, Management & Auditors. MIA International Accountants Conference 2026 MIA Webinar Series: Connecting Financial and Sustainability Reporting essentials for Professional Accountants The profiles of the Company Secretaries are disclosed in ‘Management Team’ section of the Company’s Annual Report 2026
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	:	1. Prior to the beginning of each financial year, the Board and Board Committees meetings are scheduled in line with the key financial reporting dates to ensure Directors are able to plan their schedules appropriately. Special Board meetings are convened between regular Board meetings by giving sufficient notice to address any ad-hoc matters. A total of 6 Board meetings were held during FYE2026. 2. At the beginning of each year, a Board Annual Outline Agenda (Outline Agenda) is prepared, tabled and circulated to the Board. The Outline Agenda sets out the tentative agenda items and assist both the Board and management in planning the preparation of matters for discussion at the scheduled meetings. It also serves as a convenience reference to facilitate their time planning. 3. The notice of Board and Board Committees meetings are sent to the Directors/Board Committee members via e-mail, at least 5 days before the meetings. Notice of meetings are also given to all who are required to attend the meetings. 4. The agendas and meeting materials are generally distributed to the Board and Board Committee members within a reasonable period prior to all Board and Board Committees meetings to allow sufficient time for appropriate review to facilitate effective and productive discussions at the meetings. 5. The Board has adopted paperless meetings through the use of digital platforms which allows immediate access to the meeting materials. The meetings of the Board and its committees have been conducted both in person and virtually, leveraging technology to ensure flexibility and efficiency. 6. Management regularly deliver presentations to the Board and its Committees on various aspects of the Company's operations. The Directors have unrestricted access to senior management to support their oversight responsibilities. 7. The deliberations and decisions at Board and Board Committees meetings are documented in the minutes, including matters where Directors abstained from deliberation and/or voting or have dissenting opinions or significant concerns. This practice promotes transparency and accountability in decision-making. All conflicts of interests' transactions are disclosed and recorded in the minutes of the meeting. The action items identified and highlighted during

	meetings are conveyed to the senior management for their follow-up action. 8. Minutes of the Board and Board Committees meetings are distributed in a timely manner to the members. The Board may seek clarification of the minutes or request for any amendment before the minutes are confirmed as true and correct record at the next Board and Board Committees meetings. Actionable items are documented as matters arising and tracked in the minutes until they are fully resolved.	
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	:	1. The Board has formally adopted a Board Charter, which clearly defines the roles and responsibilities of the Board, Board Committees and individual Directors as well as matters reserved for the Board. 2. The Board Charter outlines: • the composition and Board balance; • the establishment of the Board Committees; • the roles and responsibilities of the Board, Board Committees and individual Directors as well as powers delegated to management; • schedule matters reserved for the Board; • separation of functions between the Chairman of the Board and the Managing Director; • independence of Directors; • details on Board meetings and general meetings; • Board and Board Committees annual assessment; • internal controls and risk management; • conflict of interest; • code of ethics and conduct; • remuneration policies; • financial reporting; • Directors' training and development • access to information and independent advice; and • maintaining integrity and compliance with ethical standards. 3. The Board annually reviews its Board Charter to keep abreast with new changes in regulations and best practices. The Board Charter will be updated in accordance with the requirements of the Group and any new regulations that may have an impact on the discharge of the Board's responsibilities. 4. The Board Charter was reviewed and affirmed by the Board on 24 February 2026 and is available on the Company's website, http://www.fimacorp.com/corporate-governance.php.
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	:	1. In addition to the Board Charter, the Board adheres to the following: • Companies Act, 2016; and • Code of Ethics for Company Directors issued by the Companies Commission of Malaysia. 2. The foregoing provides guidance for proper standards of conduct and sound and prudent business practices as well as standard of ethical behaviour for Directors, based on principles of integrity, responsibility, sincerity and corporate social responsibility. 3. The Board is guided by the Companies Act, 2016 and Bursa Listing Requirements in connection with the disclosure of shareholding and interests in the Group. 4. The Board shall also observe any actual or potential conflict of interest, including interests in any competing business, that the Board has with the Company or its subsidiaries. In this respect, the Board is guided by the provisions in the Companies Act, 2016 and Bursa Listing Requirements. Any general notice given by a Director in regard to his/her interest is recorded in the Conflict of Interest Register and is tabled at the Board meetings. The disclosure on the same is also recorded in the minutes of the Board meeting. An interested Director will abstain from discussion or decisions on matters in which they have a conflicting interest. 5. The Company observes the Fima Group Code of Conduct (Code), established by KFima for its Group subsidiaries. The Code lays out the Company's principles, standards, and the moral and ethical expectations that employees and third parties are held to as they interact with the organisation. 6. The Directors and employees are expected to behave ethically and professionally at all times, and protect and promote the reputation and performance of the Company. 7. The Company has an Anti-Bribery Policy that outline the Group's expectations for internal and external parties working with and for

	the Group in upholding the Group's commitments and stances against bribery and corruption. The policy has been developed in line with, amongst others, Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018 (MACC Act 2009); in particular, the Guidelines on Adequate Procedures pursuant to section 17A of the MACC Act 2009, as well as other international better practices. The policy is also part of the Group's zero tolerance approach towards all forms of bribery and corruption. 8. The Group's employees and service providers are required to complete the integrity declaration form in which they had to declare and confirm their compliance with all applicable laws and regulations relating to anti-bribery, fraud and corruption as well as to all Group's policies, standard of procedures and governance frameworks. Additionally, they are also required to disclose any conflict of interest situations with FimaCorp Group or other stakeholders of the FimaCorp Group's businesses. 9. In fulfilling the Group's commitment towards achieving a corruption-free business environment, the Company has in place a Whistle-blowing Policy which encourages reporting by the employees, business associates as well as any external parties of any improper conduct of the Group's employees in breach of any laws, guidelines and policies for the time being in force. 10. Training sessions and engagement activities have been conducted (via e-learning and on-site) to spread awareness and address concerns. The Company's Anti-Bribery Policy and Whistle-blowing Policy are available on the Company's website under 'Investors' page.
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	:	1. The Group is committed to develop a culture of openness, honesty and accountability and believes that it is fundamental that any concerns the employees have about the Company can be raised without fear of retaliation and/or victimisation. 2. The Group's Whistle-blowing Policy has been in place since 2011 to promote responsible corporate conduct across the Group. It provides an avenue for reporting legitimate concerns, ensuring that all reports are objectively investigated and appropriately addressed. The policy is designed to encourage employees and stakeholders to report actual or suspected unethical or illegal conduct perpetrated against the Company with the assurance that their confidentiality will be maintained without any fear for their position. 3. The policy also provides procedures and structured channels for reporting any improper conduct or wrongdoing within the Group. A preliminary assessment of every report/concern will be carried out by the Group Internal Audit (GIA) or Group Human Resource & Administration (GHRA) departments. The results of all assessments and investigations will be tabled to the ARC for their review. 4. Upon review of the findings of the preliminary investigations, the ARC may: (i) in cases where the preliminary findings disclose a possible criminal offence, decide if the matter should be referred to the relevant authorities such as the police or the Malaysian Anti-Corruption Commission. In such circumstances, the ARC shall first report the findings together with the recommended course of action to the Board for their attention and approval; or (ii) determine any other course of action that the ARC deems fit having regard to the circumstances of the matter reported and the fairness of the conduct of any investigation.
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	1. The Board is responsible for overseeing sustainability governance within the Company including the formulation of the Company's sustainability strategies, priorities and targets as outlined in the Board Charter. 2. In this respect, the Board, through the ARC evaluates and reviews the Group's sustainability performance and provide oversight of its sustainability initiatives and strategies. The ARC receives quarterly report on the Group's sustainability performance for review and consideration. 3. The GSC supports the Board and ARC by providing oversight and guidance to management in ensuring that their sustainability programmes and initiatives align with the Group's long-term value creation objectives. 4. The minutes of the GSC are tabled and presented to the Board to keep them informed and updated on the key issues deliberated by the GSC. Sustainability issues are given utmost consideration when new projects are being proposed and/or evaluated. As a matter of policy, all proposals submitted to the Board for approval must include comprehensive and thorough assessments of associated risk and ESG considerations (including conflict of interest). The GSC's Terms of Reference are available on the Company's website.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

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	:	1. Sustainability material matters and performance are discussed at the GSC meetings. The GSC met 3 times in FYE2026 and the meeting were also attended by the representatives from each of the Group's divisions. 2. For external stakeholders, sustainability strategies/approach priorities and performance are disclosed via Sustainability Report published annually. The Sustainability Report is available on the Company's website.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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	:	1. The GSC which was established on 30 March 2017, is responsible for overseeing the Group's sustainability programmes and monitoring their progress. The GSC reports to the Board via the ARC, highlighting any matters within its scope in respect of which it considers an action or improvement is needed, and making recommendations as appropriate. The Board has delegated the oversight of ESG matters to the ARC who conducts quarterly reviews of the Group's ESG performance. Additionally, the Board receives the Group's ESG Report on a half-yearly basis. 2. All Directors have completed the Mandatory Accreditation Programme Part II: Leading for Impact. In addition, some Directors have also attended external training courses on sustainability issues, including climate-related risks. Details of training attended and participated by the Directors during the financial year under review are set out in Practice 1.1 of this Report.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	For FYE2026, the Managing Director's key performance indicators (KPI) included ESG elements which were cascaded down to the management/divisional levels. Management would then establish their own granular KPIs and actionable plans aligned with the relevant ESG-related KPI of the Managing Director. These plans served as a basis to measure the effectiveness, productivity, efficiency, cost controls and ESG performance of those actions.	
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.

<i>Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.</i>		
Application	:	Adopted
Explanation on adoption of the practice	:	1. The Managing Director is a member of GSC. The GSC comprises representatives from the Boards of KFima (FimaCorp's ultimate holding company) and FimaCorp and members of senior management. The GSC is chaired by a Non-Independent Non-Executive Director of FimaCorp. 2. The Group Corporate Services Department of KFima oversees the Group's sustainability reporting, with guidance from the Managing Director and the Chairman of the GSC as well as counsel from the ARC and the Board. Sustainability working groups have been established at the divisional level to assess, measure and report the sustainability performance of their respective operations.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	1. The Nomination and Remuneration ("NRC") reviews the broader composition and balance of the Board and its Committees, their alignment with the Company's strategic/objectives, and the need for progressive refreshing of the Board. 2. On an annual basis, the NRC reviews the tenure of each Director including their time commitment and carries out an annual board effectiveness evaluation (BEE) to ensure that the Board as a whole and the Board Committees have been effective and fulfilling its roles and responsibilities. The performance and contribution of each individual Director are also assessed as part of the BEE process. The NRC also considers the time commitment of each Non-Executive Director of the Company. 3. In addition, the independence of all Independent Directors is reviewed by the NRC annually, with reference to their independence of character and judgement and whether any circumstances or relationships exist which could affect their judgement. 4. The NRC is also responsible for recommending to the Board, Directors who are standing for re-election at the Company's AGM. The Directors will be evaluated inter-alia based on the results of the BEE in addition to prescribed fit and proper assessment criteria. 5. At the forthcoming Annual General Meeting, the Board approved NRC's recommendation to seek shareholders' approval for the re-election of the following Directors pursuant to the Company's Constitution: (i) En. Nik Feizal Haidi bin Hanafi (ii) Dr. Roshayati binti Basir For the purpose of determining the eligibility of the Directors to stand for re-election at the AGM, the Board and the NRC, had assessed each of the retiring Directors during the BEE. Accordingly, the Board and the NRC are satisfied that the retiring Directors have met the performance criteria and the Board's expectations by continuously discharging their duties and responsibilities diligently as Directors of the Company. Accordingly, the Board recommends the re-election of Encik Nik Feizal Haidi bin Hanafi and Dr. Roshayati binti Basir to the shareholders at the 51st AGM.

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

Intended Outcome

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

Practice 5.2

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

Application	:	Applied
Explanation on application of the practice	:	1. The Board comprises 6 Directors, of whom 3 are Independent Non-Executive Directors (INED), 2 Non-Independent Non-Executive Directors and 1 Executive Director. Independent Directors constitute 50% of the Board. The composition of Independent Directors complies with Paragraph 15.02 (1) of the Bursa Listing Requirements which stipulates that at least 2 directors or 1/3 of the board of directors of a listed issuer, whichever is the higher, are independent directors. 2. The Board is of the view that the current composition of its Independent Directors is sufficient to ensure effective check and balance in the Board. However, the Board will continuously review its composition to ensure that such level of independence is maintained and not in any way compromised. 3. The Board, through the NRC, has assessed the independence of the INEDs during the financial year under review. The Board was satisfied with the level of independence demonstrated by all the INEDs and was of the view that they could continue to bring sound independent and objective judgement to Board deliberations.
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	:	The Company’s Board Charter has a formal policy limiting the tenure of Independent Directors to 9 years. Should the Board intends to retain an Independent Director beyond 9 years, it should provide justification for the retention and seek annual shareholders’ approval via a 2-tier voting processes. The Charter also provides that a Director should not serve as an Independent Director of the Company or its related companies for a cumulative period of more than 12 years or such other period as prescribed by the Bursa Listing Requirements, and upon completion of 12 years, an Independent Director may continue to serve on the Board subject to the Director’s re-designation as Non-Independent 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 5.4 - 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	:	N/A

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	:	1. The appointment of a new Director is a matter for consideration and decision by the Board upon appropriate recommendation from the NRC. 2. In assessing new appointments to the Board, the NRC together with the Board will consider fit and proper criteria as set out in the Company's Directors' Fit and Proper Policy. This assessment includes a careful evaluation of the existing Board's collective skills and experience to identify the necessary attributes and profile required for the new Director. 3. Candidates are also identified based on their professionalism, skills, knowledge, competencies, experience/background, expertise, and integrity to complement the existing Board. Diversity in terms of age and gender is also considered during the selection process. 4. The Board Diversity Policy approved in May 2022 sets out the principles adopted by FimaCorp to ensure diversity on the appointment and composition of its Board of Directors. The policy reflects the Company's commitment to ensuring a broad range of perspectives, backgrounds, and experiences at the Board level. The Board Diversity Policy is available on the Company's website under 'Investors' page. 5. Each Director is expected to devote sufficient time to the Company in carrying out their duties and responsibilities. For FYE2026, none of the Directors have served on the boards of more than 5 listed companies. Details of the directorship of each Board member together with Board and Board Committees meetings attendance were annually reviewed by the NRC and the Board during the meetings. 6. The NRC is also delegated with the role of screening and conducting an initial selection, which includes an external and independent search on candidates for appointment of board and senior management in the Company and its Group. For the financial year ended 2026, no new appointment was made.

	7. The appointment of key senior management is also made with due regard for diversity in skills, experience, competencies, cultural background, gender and other qualities. 8. The succession plan for the Group's senior management team and support function is also reviewed and considered by the NRC and the Board annually. The profiles of the Board and the Group's senior management indicating their diverse skills and experiences are disclosed in the Company's Annual Report 2026 and Company's website.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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	:	1. The Board uses a variety of sources for identification of suitable candidates for appointment. The NRC reviews the composition, fit and proper criteria, required skillsets and Board requirements every year as part of the Board assessment. In the past, the NRC and the Board have relied on recommendation from existing Board members as well as the services of external professional agencies to assist in identifying and shortlisting potential candidates. 2. The standard process used by the NRC involves detailed assessment of shortlisted candidates followed by interviews with NRC members and Managing Director, and the sourcing of references before the NRC recommends any new appointment to the Board. 3. Before recommending a candidate for appointment as a Director, The NRC will also assess whether the candidate has any interest or relationship that may affect or influence his ability to act in the best interest of the Company. The Board then will consider and approve the NRC's recommendations.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	1. In order to assist the shareholders in their decision on the re-appointment/re-election of Directors retiring at the upcoming AGM, the information of the Directors such as academic/professional qualifications, directorships in other companies, working experience, age, gender, date of appointment, record of attendance of meetings, conflict of interest relationship and the shareholdings are disclosed in the Company's Annual Report 2026 and the Company's website. 2. The NRC is responsible for recommending to the Board, Directors who are standing for re-election at the Company's AGM, subject to the NRC being satisfied with the performance of the affected Directors based on the annual BEE in addition to the fit and proper assessment criteria prescribed under the Director's Fit and Proper Policy of the Company. 3. For the Company's forthcoming AGM, the Board approved NRC's recommendation to seek shareholders' approval of the following Directors who will be retiring and eligible for re-election pursuant to the Company's Constitution: (i) Encik Nik Feizal Haidi bin Hanafi (ii) Dr. Roshayati binti Basir Encik Nik Feizal Haidi bin Hanafi and Dr. Roshayati binti Basir have agreed to and would be standing for re-election at the coming AGM. 4. The Board and NRC's assessment and recommendations on the proposed re-election of Directors retiring pursuant to the Company's Constitution are set out in Practice 5.1 of this report. The Board has also included a statement in the Notes of the Notice of 51st AGM for 2026 that the Board has endorsed the NRC's recommendation for the proposed re-election of the retiring Directors at the 51st AGM.
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 5.8

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

Application	:	Applied
Explanation on application of the practice	:	1. The NRC comprises a majority of Non-Executive Directors with a majority of them being Independent Directors. The current composition of the NRC complies with Bursa Listing Requirements and the Committee's Terms of Reference. 2. The NRC is chaired by Encik Rosely bin Kusip, a Senior Independent Director who was appointed on 18 August 2021. The other members are: • Nik Feizal Haidi bin Hanafi – Independent Non-Executive Director • Rezal Zain bin Abdul Rashid – Non-Independent Non-Executive Director The NRC's Terms of Reference is available on the Company's website under 'Investors' page.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	1. The Board currently comprises 6 Directors, of whom 1 is a woman (or 14%). The Company complies with Paragraph 15.02(1)(b) of the Bursa Listing Requirements which stipulates the requirement for listed issuer to have at least 1 female board member. 2. While the Board has not set any specific targets for gender diversity for the Company, it remains committed to promoting diversity-including gender-as a key consideration in the appointment of new Directors. The Board's diversity policy supports the advancement of a broad range of perspectives and background. On this note, the Board will regularly review its skillsets to ensure they remain strategically relevant while also striving to enhance diversity whenever practicable.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The NRC in arriving at its recommendations, conducts reviews based on objective assessments of the fit and proper criteria. The NRC's evaluations of candidates' suitability are based on their competencies, the required skillsets, character, experience, current Board composition and the Company's growth strategy.
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	:	1. The Board believes that diversity in the Board and senior management composition is essential for good governance and productivity. The Board is of the view that each member of the Board and senior management should be evaluated and/or appointed based on his/her merits with due consideration given to diversity, including gender diversity. 2. The Company has in place a Board Diversity Policy that sets out the principles applied by FimaCorp to ensure diversity on the appointment and composition of its Board of Directors. However, the Board’s overriding aim is to ultimately appoint individuals with the requisite skillsets to the Board to drive forward the Group’s strategy. 3. The Board acknowledges that there are opportunities to improve the number of women at senior management levels. The Board will endeavour to improve the number of women in the Group, at all levels, taking into account specific circumstances of the business operations and cultures in the countries in which we operate.	
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	1. Assessment of Board, Board Committees and individual Director's performance is carried out annually. The objective of the assessment is to track the Directors' discharge of their roles and responsibilities, areas for improvement, areas that need more attention, and to overall assess the effectiveness of the Board, Board Committees and individual Directors. Additionally, the attendance of Directors at the Board and Board Committees meetings, time commitment and trainings attended were also reviewed and considered. 2. For FYE 2026, the BEE was conducted by an external consultant to undertake a review of the effectiveness and structure of the Board and Board Committees. The Company has engaged Boardroom Corporate Services Sdn Bhd to assess the effectiveness of the Board and Board Committees, as well as the performance of each individual Director. One-to-one interviews and questionnaires with each of the Directors were carried out to ensure candid and objective evaluations. 3. The BEE process involved each Director completing a detailed questionnaire. The assessment of the Board's effectiveness was based on a set of criteria, including: <u>Part A: Board of Directors Evaluation</u> • Composition & Quality of the Board • Leadership & Effectiveness of Board Chairman • Board Strategy, oversight & Decision-Making • Board Culture & Dynamics • Board Meeting Processes & Information Quality • Sustainability, ESG & Long Term Value Creation • Management Interaction • Stakeholder Engagement & Corporate Reputation • Ethics, Integrity & Compliance • Succession, Planning & Talent Oversight • Risk Management, Internal Control & Assurance

	• Technology, Innovation & Digital Governance • Board Remuneration <u>Part B: Directors Self & Peer Evaluation</u> • Individual Director's and Collective Performance of the Board • Fit and Proper • Board Skills Matrix (Self-Assessment & Board Assessment) <u>Part C: Audit and Risk Committee Evaluation</u> • Composition, Leadership & Expertise of the ARC • Financial Reporting Oversight • External Audit Oversight • Internal Audit Oversight • Risk Management & Internal Controls • Compliance, ethics & Anti Bribery • Sustainability Emerging Risk Oversight • Committee Processes & Effectiveness • Overall Effectiveness of ARC <u>Part D: Nomination & Remuneration Committee Evaluation</u> • Composition, Leadership & Expertise of the NRC • Board Composition, Nomination & Succession Planning • Board & Senior Management Performance Evaluation • Remuneration Governance • Succession Planning & Talent Oversight • Committee Processes & Effectiveness • Overall ARC Effectiveness <u>Part E: Independent Directors Self Evaluation</u> • Independent of Judgement • Relationship & Conduct • Tenure & Objectivity 4. A comprehensive report was then compiled by the external consultant based on the feedbacks received and presented to the Chairman of NRC for his feedback/views. The results of the BEE were then presented to the NRC for review and assessment of the findings together with the recommendations for further improvements. Subsequently, the reports were presented to the Board for review and discussion in developing action plans for improvement or in enhancing its overall effectiveness. 5. The evaluation exercise has affirmed that overall, the Board is active and engaged, and that the Board and its Committees have continued to discharge their responsibilities and duties effectively.
Explanation for departure :	

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

Measure :		
Timeframe :		

Intended Outcome

The 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	:	1. The remuneration of Directors is reviewed by the NRC prior to making its recommendation to the Board for approval. In determining appropriate remuneration, the NRC takes into account various factors including the Directors duties and responsibilities as Directors and members of Board Committees, time commitment and other relevant considerations. The guiding principles for determining Directors' remuneration are outlined in the NRC's Terms of Reference which is available under 'Investors' section of the Company's website. 2. The NRC is also responsible for recommending the remuneration package of the Managing Director to the Board. The final decision rests with the Board, with the Managing Director abstaining from all deliberation and voting on matters relating to his own remuneration. In addition, the NRC also conduct an annual review of the overall remuneration of senior management, assessing their contributions over the year, with its recommendations submitted to the Board for approval. 3. The performance reward for Managing Director and senior are determined based on the KPIs set by 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 level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

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

Practice 7.2

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Remuneration Committee was established on 28 August 2001. On 24 May 2017, the Remuneration and Nomination Committees were combined to become the Nomination and Remuneration Committee for the purpose of convenience and practicality. The NRC is governed by a detailed Terms of Reference which is published on the Company's website under 'Investors' page.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The remuneration of individual Directors including breakdown of fees and other allowances and benefits in-kind paid and payable to individual Directors are disclosed in the Company's Annual Report 2026 under the Financial Statement. The detailed remuneration received by each Director in FYE2026 is set out in the table below.

No	Name	Directorate	Company							Group						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Datuk Bazlan bin Osman	Chairman / Independent Non-Executive Director	90,000	14,000	0	0	39,302	0	143,302	90,000	14,000	0	0	39,302	0	143,302
2	Dato' Roslan bin Hamir	Managing Director / Non-Independent Executive Director	0	0	305,388	279,201	61,216	112,473	758,278	0	0	610,764	558,401	61,216	224,945	1,455,326
3	Encik Rosely bin Kusip	Senior Independent Non-Executive Director	60,000	28,000	0	0	0	0	88,000	60,000	28,000	0	0	0	0	88,000
4	Encik Rezal Zain bin Abdul Rashid	Non-Independent Non-Executive Director	60,000	42,000	0	0	70,880	0	172,880	90,000	45,000	0	0	70,880	0	205,880
5	Dr. Roshayati binti Basir	Non-Independent Non-Executive Director	50,000	14,000	0	0	0	0	64,000	50,000	14,000	0	0	0	0	64,000
6	Encik Nik Feizal Haidi bin Hanafi	Independent Non-Executive Director	65,000	28,000	0	0	38,441	0	131,411	77,000	31,000	0	0	38,441	0	146,441

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	:	The Board is of the opinion that such disclosure would be disadvantageous to the Group's business interests, given the highly competitive nature of the Group's business.
		As an alternative to the recommended practice, the Board has opted to provide both qualitative and quantitative disclosure of the Group's remuneration framework for senior management (including Managing Director). This disclosure, detailed in Note 9 of the Audited Financial Statements for FYE2026 over components such as fees, salaries, allowances and bonuses, pension costs, and other staff benefits as well as items that form part of their remuneration.
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	:	

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	:	N/A

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 ARC and Board is chaired by separate individuals. The Chairman of the ARC, Encik Nik Feizal Haidi bin Hanafi is an Independent Non-Executive Director and 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	:	None of the ARC members are former key audit partners within the cooling-off period of at least 3 years. The requirement to observe a cooling-off period of at least 3 years for a former key audit partner before being appointed as a member of ARC has been included in the Terms of Reference of the ARC. The profiles of the ARC members are disclosed in Our Board of Directors section of the Company’s Annual Report2026.	
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	:	1. Under its Terms of Reference, the ARC is responsible for reviewing, assessing and monitoring the performance, suitability and independence of external auditor and to make subsequent recommendations to the Board on the appointment, re-appointment or removal of the external auditor. 2. In May 2026, the ARC conducted its annual assessment of the effectiveness of the external auditor, Messrs. Ernst & Young PLT (EY PLT) for FYE 2026. The assessment was carried out using a detailed questionnaire covering the following key areas: • Calibre of external audit firm • Quality processes/performance • Quality of the audit team • Independent and objectivity • Audit fees • Audit communications 3. The ARC also considered feedback obtained via assessment questionnaires completed by Company's personnel who had substantial contact with the external audit team throughout the FYE 2026. The external auditor was assessed based on the following assessment areas: • Engagement team skill and responsiveness; and sufficiency of resources. • Quality of service provided by the external auditor. • Communication and interaction with the external auditor. • Independence, objectivity and professional scepticism. 4. Based on the results of the assessment for FYE2026, the ARC was satisfied with the suitability of EY PLT as Company's external auditor for FYE 2026. The ARC also obtained written confirmation from EY PLT affirming that they were, and have remained independent throughout the conduct of the audit engagement in accordance with the terms of the relevant professional and regulatory requirements. 5. The Board had, at its meeting held on 19 June 2026, approved the ARC's recommendation on the re-appointment of EY PLT as external auditors of the Company for the financial year ending 31 March 2027 to the shareholders for approval at the forthcoming AGM. EY PLT have indicated their willingness to continue their audit services for the next financial year.

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	:	Not Adopted
Explanation on adoption of the practice	:	N/A

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	:	1. The ARC presently consists of 3 members namely, Encik Nik Feizal Haidi bin Hanafi, Encik Rezal Zain bin Abdul Rashid and Encik Rosely bin Kusip. 2. Encik Rezal Zain bin Abdul Rashid is a member of the Malaysian Institute of Accountants and is also a Certified Practicing Accountant (Australia). The relevant qualifications and experience of each of the members of the ARC are set out in Our Board of Directors section of the Annual Report 2026. 3. All ARC members have undertaken continuous professional development during the FYE 2026. The trainings attended by the ARC which are relevant to their role are listed on page 8 of this CG Report.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	1. The board recognises risk management as an important aspect of the Group's diverse and growing operations with the objective of maintaining a sound internal control system. During the financial year, the Board adopted a revised methodology to replace the existing subjective approach with a standardised, transparent and risk-based framework that integrates both quantitative scoring and qualitative judgement. The framework is aligned with the principles of COSO ERM (2017), and the IIA Global Internal Audit Standards (2024). It is also aligned with COSO Internal Audit Control (2013). This alignment ensures the protection of Group's assets and enhancement of shareholders' value. The Group's ERM framework encompasses the risk assessment process, organisational oversight and reporting function. 2. Risk assessment, monitoring and review of the various risks faced by the Group are a continuous process within the key operating units with the RSC, a sub-committee of the ARC, playing a pivotal oversight function. 3. The RSC comprises of Board representatives from the Company and KFima and members of senior management. The RSC assists the ARC and the Board in overseeing the implementation of the Group's risk management framework. 4. The Group's business units identify both current and potential critical risks the Group faces including their action plans to manage these risks which are presented at the RSC's meeting by the Risk Coordinator. 5. RSC meets at least twice-yearly and reviews the risk exposures of the business units in respect to their respective business areas, operations, and finance and ensures that the risk management mechanisms and responses are adequate and aligned with the Group's strategy and objectives. 6. The Group's internal audit function is undertaken by GIA which reports directly to the ARC and administratively to the Managing Director. GIA assists the ARC by providing assurance on the adequacy and effectiveness of the Group's risk management and internal control systems. 7. The Board retains the overall risk management responsibility in accordance with best practice of the Malaysian Code on Corporate Governance, which requires the Board to identify principal risks and

	ensure the implementation of appropriate systems to manage these risks. Further details of the risk management and internal control frameworks can be found under the Statement on Risk Management and Internal Control of the Company's Annual Report 2026.	
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	:	1. The Group's new risk management framework is generally aligned with the principles of COSO Internal Control (2013), COSO ERM (2017), and the IIA Global Internal Audit Standards (2024). The key features of the new methodology include: • clear scoring rules based on impact, likelihood, recurrence, and critical parameters (e.g. HSE, compliance, integrity, reputation); • action-oriented incentives that reward timely remediation and discourage recurrence through the introduction of merit and demerit points to promote prompt corrective action; and • improved comparability across audits, periods, and audit teams. 2. The Board reviews the effectiveness, adequacy and integrity of the risk management framework and internal control system of the Group to ensure that significant risks faced by the Group are being managed appropriately to respond to the ever-evolving business environment. 3. The ARC provides oversight on governance, internal control system and financial matters while the RSC provides oversight over risk management. The Board reviews the effectiveness of the risk management and internal control system through the following monitoring and assessment mechanisms: • Quarterly reviews on the Group's actual financial and operational performance versus planned performance and other key financial and operational performance indicators. • Reviews of specific transactions, projects or opportunities are also discussed between the management and the Board as and when required. This allows the Board and management to manage potential risks. • Deliberation and discussion on reports issued by the GIA and external auditors pertaining to financial, operational, governance, risk management and control matters. The status of preventive and corrective actions for issues discussed are also escalated to the ARC to enable monitoring of the actions. • Reviews of the Group's key risk areas and emerging risks, together with their potential impact and mitigating actions and change in risk exposure.

	Statement on Risk Management and Internal Control, which provides an overview of the state of internal controls within the Group is provided in the Company's Annual Report 2026.	
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	:	N/A

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	:	1. The ARC is supported by the Group Internal Audit which provides independent appraisal on the adequacy, efficiency and effectiveness of risk management, internal control and governance processes implemented by the business units. 2. GIA reports directly to the ARC to ensure impartiality and independence. GIA communicates audit observations noted during its reviews to Management and monitors the status of corrective actions taken by the operating units. GIA is governed by Audit Charter approved by the ARC, which set out the purpose, roles, scope and responsibilities of the GIA. 3. GIA's responsibilities include providing reports to the ARC and escalating significant issues at the ARC meeting, which are held on a quarterly basis. Matters of concerns raised by the ARC during the meetings were minuted and documented by the Company Secretary. Through these meetings, ARC reviews the effectiveness of internal audit activities, including audit follow-ups, the approved annual Audit Plan, resources, training and budget as well as other matters related to internal auditing. Further details of the internal audit function are set out in the Statement on Risk Management and Internal Controls of the Company's Annual Report 2026.	
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	:	1. GIA is independent of the Group's business operations and has a mandate set out in its Audit Charter, which was approved by the ARC. GIA performs its audit functions in accordance with <i>the Global Internal Audit Standards 2024</i> and the <i>International Professional Practices Framework 2017</i>, both issued by The Institute of Internal Auditors (IIA), the Internal Audit Standard Operating Procedures and the Annual Audit Plan approved by the ARC each year. The Audit Plan covers the scope of the audit work and resources required to perform such work. 2. The Internal Audit Charter emphasizes on independence and objectivity, and requires GIA to remain free from interference by any elements within the Group. GIA has no direct operational responsibility or authority over any of the activities audited. 3. Declaration on the relationship status of GIA personnel with any members within the Group and parties having business relationships with the Group is made during the recruitment process handled by the GHRA Department. All GIA personnel have confirmed that they are free from any relationships or conflicts of interest that could impair their objectivity and independence. Names and qualifications, including academic and professional qualifications were disclosed and provided during the recruitment process and vetted by the GHRA. Such information is documented and made available for reference. This is in line with the requirements of the Company's Code of Conduct and Employee Handbook. 4. GIA is headed by En Mohd Nurul Azizi bin Samuri. He has over 18 years of working experience in the audit, accounting and finance. He holds a Bachelor's Degree in Accountancy (Honours) from University Kebangsaan Malaysia. He is a Chartered Accountant and a member of MIA. Through its regular reporting to the ARC, GIA keeps the ARC informed of the composition of GIA resources, as well as the status of current and upcoming internal audit activities. GIA personnel

	continuously keep themselves abreast of the latest developments in internal audit practices, industry trends, and regulatory changes through attendance at conferences, training programmes and seminars.	
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	:	1. The Company has in place a Corporate Disclosure Policy to provide the Group with appropriate guidance to discharge its disclosure obligations and ensure that all communications to the public by the Company are timely, complete and accurate in accordance with all applicable laws and regulations. The Corporate Disclosure Policy is available on the Company's website under the 'Investors' section. 2. The Board also believes that constructive and effective investor relations play a vital role in enhancing shareholder value and recognises the importance of timely dissemination of information to shareholders and other stakeholders. Such information is made available through various channel, including: • Annual Report; • Financial Results; • Annual General Meeting; • Corporate governance information such as Company's Constitution, Board Charter, Board Committees Terms of Reference and Policies; • Circular to shareholders; • Disclosures and announcements to Bursa; • The Company's website; • Sustainability Report; and • Corporate Profile. 3. The Company's 50th AGM was held physically on 28 August 2025 (50th AGM). Active participation by the shareholders was encouraged during the 50th AGM in which an online platform was made available to the shareholders to raise questions relevant to the 50th AGM agenda prior to the meeting and appropriate response and clarification were promptly provided by the Board/management to the shareholders. 4. Shareholders may send their enquiries and concerns to the Company by emailing directly to the Company at fima@fimacorp.com.
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

There is 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	:	N/A	
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	:	
Explanation for departure	:	Under the Company's Constitution, notice for general meeting shall be given to all members at least 14 days before the meeting or at least 21 days before the meeting where any special resolution is to be proposed or where it is an annual general meeting. The Company had dispatched the notice of its 50th AGM to its shareholders 28 days before the 49th AGM, in advance of the 21-day requirement under the Companies act, 2016 and the Bursa Listing Requirements. The notice was also published in a nationally circulated newspaper as required under the Listing Requirements of Bursa Securities and is made available on Group's website. The notice of 50th AGM was published in the English language. The explanatory notes accompanying the Notice of the AGM had provided detailed explanations for each proposed resolution to enable shareholders to make informed decisions in exercising their voting rights.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	The Company's 2026 AGM is scheduled to be held on 1 September 2026 with the notice of AGM dated 30 July 2026, giving shareholders 28 days' advance notice.

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	:	1. All Directors, Managing Director, Company Secretaries and the external auditors were present at the 50th AGM of the Company which was held on 28th August 2025 as a physical meeting and voting. 2. During the 50th AGM, the Chairman of the meeting invited members to raise any questions on the agenda items tabled. Members have encouragingly taken the opportunity to raise questions on the agenda items of the AGM. Appropriate answers/responses are provided by the Chairman and Managing Director in order to allow the members to make informed voting decisions at the AGM. 3. In addition, the Company responded to the advance questions by MSWG and other shareholders prior to the AGM and shared the responses with the attendees. The Board also responded to the questions raised during the AGM. In line with its principles of good corporate governance, the Company responded to the advance questions raised by EPF, MSWG and other shareholders prior to the AGM and shared the responses with the attendees. The Board also responded to the questions raised during the AGM. The Company remains committed to fostering a culture of transparency and continuous engagement with its shareholders.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied
Explanation on application of the practice	:	The Company's 50th AGM was held physically at Dewan Berjaya, Bukit Kiara Equestrian Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur. This is in line with the requirement of Bursa Malaysia that requested all the public listed companies to hold their Annual General Meeting at a physical venue in Malaysia effective 1 March 2025. The Chairman, all Directors and Company Secretary were present at the AGM venue. The Company has appointed Boardroom Share Registrars Sdn. Bhd. as the Poll Administrator to conduct the polling process and SKY Corporate Services Sdn. Bhd. as independent Scrutineers to verify the poll results. The voting had provided a more efficient and accurate outcome of the results. For the benefit of all shareholders, the results were also announced by the Company to Bursa on the same day after the conclusion of the 50th AGM. The Minutes of the 50th AGM was also made available on the Company's website.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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 Company's 50th AGM was attended by all members of the Board (including the Chairman and the Chairman of various Board Committees), the Company Secretary and several members of the senior management team. The general meeting serve as a platform for open communication and engagement between the Company and its shareholders, providing a valuable opportunity for direct interaction and discussion. Prior to the AGM, notice of the meeting was disseminated to all shareholders, providing details of the time, venue and resolutions to be considered. The notice of meeting also includes clear guidance on voting procedures and the lodgement of Proxy Forms. During the AGM, presentations were delivered by the Managing Director, providing updates on the business, financial performance and non-financial aspects of the Company. The Company provided shareholders with the opportunity to submit questions before the AGM, from 31 July 2025 to 21 August 2025 (no later than 9.30 a.m.), via Boardroom Share Registrars' website at https://investor.boardroomlimited.com. These questions were then displayed and addressed by the Board during 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.

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.

provide brief reasons on the choice of the meeting platform.		
Application	:	Not applicable – only physical general meetings were conducted in the financial year.
Explanation on application of the practice	:	
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	The Company published the minutes of the 50 th AGM on the Company's website under 'Investors' page within 30 business days after the Company's AGM. The minutes of the AGM was subsequently tabled and affirmed by the Board at the meeting held in November 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	:	

**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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