

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5021
COMPANY NAME : AYS VENTURES BERHAD
FINANCIAL YEAR : March 31, 2025

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors of AYS Ventures Berhad is fully committed to upholding the highest standards of corporate governance, integrity, and ethical conduct. In discharging their fiduciary duties, the Directors exercise due diligence, care, and sound judgment to ensure that the interests of the Group and its shareholders are consistently protected and advanced.</p> <p>To support effective governance, the Board adopted a Board Charter on 22 May 2018, which clearly outlines:</p> <ul style="list-style-type: none">• The roles and responsibilities of the Board, its Committees, individual Directors, and Management;• Matters reserved for Board deliberation and decision-making;• Limits of authority delegated to Management. <p>The Board Charter serves as a guiding document for sound governance and is publicly available on the Company's website at www.ays-group.com.</p> <p>The Board's most important functions are as follows:</p> <ul style="list-style-type: none">• ensuring that the Group's goals are clearly established, and strategies are in place to achieve them;• establishing policies for strengthening the performance of the Group including ensuring that Management is proactively seeking to build business through innovation, initiative, technology and the development of its business capital;• monitoring the performance of Management;

	<ul style="list-style-type: none"> • appointing the Executive Chairman and Chief Executive Officer (“CEO”)/Group Managing Director and setting the terms of their employment contract; • deciding on steps which are deemed necessary to protect the Group’s financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken; • ensuring that the Company’s financial statements are true and fair and conform with law; • ensuring that the Group adheres to high standards of ethics and corporate behaviour; and • ensuring that the Group has appropriate risk management or regulatory compliances policies in place. <p>While the Board has delegated certain responsibilities to Management, it retains full and effective control over the Group’s strategic direction, major investments, capital expenditures, and overall financial and operational performance.</p> <p>The Board has also established clearly defined position descriptions and authority limits to delineate between Board and Management responsibilities. These governance practices help ensure that key decisions—particularly those with material financial or strategic impact—remain within the Board’s oversight.</p> <p>The Board recognises that risk-taking is an inherent part of doing business. Accordingly, it is committed to ensuring that a robust risk management framework is in place to:</p> <ul style="list-style-type: none"> • Identify and evaluate principal risks across the Group’s business activities; • Maintain appropriate controls to mitigate risk exposures; • Balance risk with long-term shareholder value creation. <p>This proactive approach enables the Group to make informed business decisions while protecting its long-term viability.</p> <p>In discharging its fiduciary duties, the Board has delegated specific tasks to three (3) Board Committees namely the Audit Committee, Nomination Committee and Remuneration Committee. All the Board Committees have its own terms of reference and has the authority to act on behalf of the Board within the authority as lay out in the terms of reference and to report to the Board with the necessary recommendation.</p>
Explanation for departure	:

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

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors is led by an Executive Chairman with extensive experience in the private sector. The roles and responsibilities of the Executive Chairman are clearly defined in the Board Charter, ensuring alignment with sound corporate governance practices.</p> <p>The Executive Chairman plays a vital leadership role in guiding the Board's activities and ensuring its overall effectiveness. Key responsibilities include:</p> <ul style="list-style-type: none">(a) Managing Board meetings to ensure robust decision-making including managing Boardroom dynamics by promoting a culture of openness and debate; encouraging active participation and allowing dissenting views to be freely expressed;(b) Building a high performance Board by providing leadership for the Board so that the Board can perform its responsibilities effectively;(c) Managing Board/Management interface by acting as the conduit between Management and the Board and developing a positive relationship with the Executive Directors, acting as a confidant and advisor; and(d) Being the public face by acting as a spokesperson for the Board; and representing the Company at shareholders' meetings.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The roles of the Executive Chairman and the Chief Executive Officer (CEO)/Group Managing Director (GMD) are clearly segregated to ensure a balance of power, effective oversight, and a clear division of responsibilities between the Board and Management.</p> <p>Mr Oh Chiew Ho, as the Executive Chairman, is primarily responsible for leading the Board and ensuring its effective functioning. He oversees the conduct of Board meetings and ensures that the Board operates in accordance with sound governance principles.</p> <p>For the financial year ended 31 March 2025, Ms Oh Pooi Foon, in her capacity as CEO/GMD, is responsible for the day-to-day management of the Group's operations and the implementation of strategies, policies, and decisions approved by the Board.</p> <p>This clear separation of roles helps to:</p> <ul style="list-style-type: none">• Prevent the concentration of authority in any one individual;• Promote accountability at both Board and Management levels;• Strengthen the independence and effectiveness of the Board's oversight functions. <p>The specific responsibilities of both the Executive Chairman and the CEO/GMD are clearly defined and documented in the Group's Board Charter, which is available on the Company's website.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Application	:	Applied	
Explanation on application of the practice	:	The Board is supported by an External Company Secretary who is a Fellow Member of the Malaysian Institute of Chartered Secretaries & Administrators and has more than 35 years of experience in the corporate secretarial field. The Company Secretary provides the required support to the Board in carrying out its duties and stewardship role, providing the necessary advisory role with regards to the Company's Constitution, Board's policies and procedures as well as compliance with all regulatory requirements, codes, guidance and legislation. All Directors have access to the advice and services of the Company Secretary and to obtain independent professional advice, whenever necessary, at the expense of the Company. The Company Secretary also serves in that capacity in the various Board Committees. The Company Secretary also serves notice to Directors and Principal Officers of the Company on the closed periods for trading in the Company's share accordance to Chapter 14 on Dealings in Listed Securities of the Main Market Listing Requirements.	
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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>To ensure effective deliberation and informed decision-making, the agenda and relevant Board papers, including both quantitative and qualitative information, are distributed to all Directors at least one week prior to each scheduled Board meeting.</p> <p>Management provides comprehensive explanations and recommendations on all pertinent matters, enabling the Board to engage in thorough discussions and deliberations before making informed decisions.</p> <p>Board members are also regularly updated on the Group's activities, performance, and operational developments. This ensures that the Board remains well-informed of both strategic and operational matters affecting the Group.</p> <p>All Directors have unrestricted access to timely and relevant information, whether as a full Board or in their individual capacity, in a format and level of detail that is appropriate for them to effectively discharge their fiduciary duties and oversight responsibilities.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Board has adopted a Board Charter on 22 May 2018 that clearly identifies the respective roles and responsibilities of the board, board committees, individual directors and management, and issues and decisions reserved for the Board. The Board Charter was last reviewed on 18 February 2025. The Board Charter is available on the Company’s website at www.ays-group.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

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

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

Practice 3.1

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company adopted its Code of Business Conduct in 2013. The Code sets out certain fundamental commitments that the Company make to its various stakeholders including the managing conflicts of interest, prevention of abuse of powers and insider trading.</p> <p>On 22 May 2018, the Company reviewed and revised the Code of Business Conduct to include privacy of information as well as prevention measures on corruption and money laundering.</p> <p>No changes were made at the annual review that was made on 18 February 2025.</p> <p>The Code of Business Conduct is available on the Company’s website at www.ays-group.com.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board adopted the Whistleblowing Policy on 22 May 2018 as part of the Company's commitment to uphold its core values, Code of Ethics, and governance principles. The Policy serves as a key mechanism to reinforce a culture of transparency, integrity, and accountability across the Group.</p> <p>The Company places a high value on the trust and integrity expected of its employees and stakeholders. The Whistleblowing Policy provides a formal avenue for employees and external parties to raise legitimate concerns in good faith, particularly relating to:</p> <ul style="list-style-type: none">• Breaches of legal or regulatory obligations;• Misconduct or unethical behaviour;• Miscarriage of justice;• Health, safety, or environmental risks. <p>This framework ensures that concerns can be raised confidentially and responsibly, without fear of retaliation, harassment, or discriminatory treatment. All disclosures are handled objectively and investigated promptly and fairly.</p> <p>The Policy applies to employees, contractors, consultants, suppliers, and other stakeholders who have dealings with the Company. It outlines clear procedures for reporting concerns and ensures that whistleblowers are protected and treated with respect throughout the process.</p> <p>The Whistleblowing Policy was reviewed on 18 February 2025 and remains accessible on the Company's website at www.ays-group.com.</p> <p>For the financial year ended 31 March 2025, the Company did not receive any whistleblowing reports.</p>

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

Intended Outcome

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

Practice 4.1

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>As at the financial year ended 31 March 2025, the Board comprised six (6) Directors, including two (2) Independent Non-Executive Directors (INEDs). This composition is in line with the Listing Requirements of Bursa Malaysia, ensuring adequate independent oversight within the Board.</p> <p>All Directors, whether independent or otherwise, are bound by their fiduciary duty to act in the best interests of the Company—a principle that has consistently guided the Board’s conduct. The diverse and independent perspectives brought by Board members have meaningfully contributed to the Group’s strategic direction and overall success.</p> <p>Board and Board Committee meetings are conducted in an open, transparent, and participative manner, where dissenting views are welcomed, and all agenda matters are thoroughly deliberated to support informed and high-quality decision-making. As an added safeguard, Directors abstain from deliberations and decisions on matters where they have a conflict of interest, ensuring integrity and fairness in Board processes.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

Practice 4.2

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 justify and seek annual shareholders' approval. If the board continues to retain the independent director after the twelfth year, the board should seek annual shareholders' approval through a two-tier voting process.

Application	:	Not applicable - No independent director(s) serving beyond 9 years	
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

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

Practice 4.3 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 4.4

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.

Application	:	Applied	
Explanation on application of the practice	:	<p>The responsibility of recommending new appointments and the re-election of retiring Directors is delegated to the Nomination Committee.</p> <p>The Nomination Committee is supported by the Company Secretary, who ensures that all appointments are carried out in accordance with the required procedures and that all relevant information is obtained from the Directors. All assessments and evaluations conducted during the year are properly documented and minuted by the Company Secretary.</p> <p>In evaluating potential candidates, the Committee considers not only academic qualifications but also industry experience and expertise to ensure the appointment of individuals who can make valuable contributions to the Company’s growth and success.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5

The board discloses in its annual report the company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	The Company has adopted a policy on diversity of gender, ethnicity and age. In seeking potential candidate for new appointments, the Board shall take into account the various diversity factors including ethnicity, gender and age distribution of the Directors to maintain a balanced Board composition. In this respect, the Board aims to maintain at least two (2) women directors on the Board. The Board shall also review the participation of women in Senior Management to ensure there is a healthy talent pipeline.	
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 4.6

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.

Application	:	Applied	
Explanation on application of the practice	:	<p>Selection of candidates for appointment of new Directors may be recommended by Directors, Management and Shareholders. The Board is also open and may seek external independent sources to identify suitably qualified candidates.</p> <p>The Nomination Committee propose new nominees for appointment to the Board. In making the recommendations, the Nomination Committee shall consider the candidates skills, knowledge, expertise and experience. There were no nominations received in the financial year ended 31 March 2025.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.7

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Chairman of the Nomination Committee is chaired by Dato’ Wan Hashim Bin Wan Jusoh, an Independent Non-Executive Director.</p> <p>The terms of reference of the Nomination Committee which is available on the Company’s website also sets out that the Chairman of the Nomination Committee is to be a Non-Executive Director.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.1

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 and its outcome.

For Large Companies, the board engages independent experts periodically to facilitate objective and candid board evaluations.

Application	:	Applied
Explanation on application of the practice	:	<p>During the financial year ended 31 March 2025, the Board, through the Nomination Committee, conducted its annual review of the Board's size, composition, and overall effectiveness. The review concluded that the current Board dynamics remain healthy and effective, with members possessing the necessary skills, experience, and personal attributes to steer the Group forward. The Nomination Committee was satisfied that the existing Board structure, size, and mix of competencies continue to enable the Board to discharge its responsibilities efficiently.</p> <p>As part of the evaluation process, all Directors completed a self-assessment, while the Nomination Committee evaluated the performance of the various Board Committees. Through the self-assessment, Directors expressed confidence in their ability to collaborate effectively with fellow Board members and contribute meaningfully in terms of experience, judgement, and preparedness. They also indicated strong commitment to sourcing the necessary information to support informed decision-making.</p> <p>In reviewing the Audit Committee, the Nomination Committee assessed its effectiveness in overseeing internal control policies and procedures, risk reporting, and engagement with both internal and external auditors. The review also considered the Audit Committee's oversight of related party transactions and potential conflict of interest matters.</p> <p>The Nomination Committee itself was evaluated on its ability to ensure a robust process for identifying, nominating, and appointing qualified candidates, the effectiveness of Director education programmes, and its responsiveness to feedback from individual Directors.</p> <p>The Remuneration Committee was assessed on its ability to align remuneration decisions with the Company's financial performance, ensure that fees for Non-Executive Directors are commensurate with their responsibilities and contributions, and link Executive Directors' and Senior Management's rewards to both corporate and individual performance outcomes.</p>

	The Board remains committed to ongoing evaluation and will continue to monitor the Board's size and composition. New appointments will be considered when necessary to support the evolving needs of the Group.	
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 6.1

The board has in place 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 policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the critical importance of a robust corporate governance system to effectively manage the structure and operations of the Company in the best interests of its shareholders. To this end, the Board has established comprehensive policies and procedures to determine the remuneration of Directors and Senior Management.</p> <p>The remuneration policy for Board members is designed to align with the interests of shareholders and the Company. It considers the responsibilities and roles undertaken by Directors, promoting performance while ensuring the long-term sustainability of the Company. The policy aims to attract and retain talented Directors, with an emphasis on balancing competitive compensation with the Company's long-term goals.</p> <p>This policy is intended for internal use and will be circulated to authorized groups and relevant personnel for implementation. The Board reserves the right to revise, update, amend, or discontinue the policy at its discretion, should the need arise.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 6.2

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Remuneration Committee shall ensure that the levels of remuneration are sufficient to attract and retain Directors of the quality required to manage the business of the Group.</p> <p>The Remuneration Committee is entrusted under its terms of reference to assist the Board, amongst others, to recommend to the Board the remuneration of the Executive Directors and Senior Management, by linking their rewards to corporate and individual performance. The Director concerned will abstain from deliberations and voting on decisions in respect of his remuneration package. In the case of Non-Executive Directors, the level of remuneration shall reflect the experience and level of responsibilities undertaken by the Non-Executive Directors concerned and is determined by the Board as a whole. The terms of reference of the Remuneration Committee is disclosed on the Company's website.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 7.1

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	:	<p>The Board as a whole shall determine the Non-Executive Directors’ fees with the individual concerned abstaining from deliberations and voting on discussions in respect of his fee. The level of Directors’ fee shall reflect the experience and responsibilities undertaken by the particular Non-Executive Director.</p> <p>The breakdown of the remuneration of the Directors in the Group and Company during the financial year ended 31 March 2025 is set out on page 84 of the Annual Report 2025.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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 7.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Company has identified 4 senior management personnel (other than the Executive Directors) as its key senior management (their names and respective profile as stated on page 15 to 17 of the Annual Report) and their remuneration is determined by the performance management system adopted by the Group which reflects market value and based on individual performance, job responsibilities and the Group's performance against financial objectives.</p> <p>The Board is of the view that such disclosure will give rise to recruitment and talent retention issues and would be adverse implication including dissatisfaction and animosity among the staff.</p> <p>The aggregate remuneration of key management personnel for the financial year ended 31 March 2025 is set out in note [31] of the audited financial statement.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	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 7.3 - 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	:	

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 8.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Board and Audit Committee is held by different individual. The Board is led by Executive Chairman, Mr Oh Chiew Ho and En Abd Malik Bin A Rahman is the Chairman of the Audit Committee.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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 8.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company has since its listing not appointed any former key audit partner onto its Board.</p> <p>The Company is guided by the External Auditors Appointment and Independence policy that requires a former key audit partner to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has a policy to assess and monitor the performances and independence of External Auditors. The policy covers selection and appointment, provision of non-audit services, External Auditors' rotation, and hiring of staff from External Audit's firm.</p> <p>The Audit Committee carried out an assessment of the performance and suitability of Grant Thornton Malaysia PLT, the External Auditors based on the quality of services, sufficiency of resources, adequate resources and trained professional staff assigned to the audit.</p> <p>The Audit Committee is generally satisfied with the independence, performance and suitability of Grant Thornton Malaysia PLT based on the assessment and is recommending to the Board and shareholders for approval for the re-appointment of Grant Thornton Malaysia PLT as External Auditors for the financial year ended 31 March 2025.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 8.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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 8.5

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Audit Committee member possess a wide range of skills to discharge his duties and his profile is set out in the Annual Report. The Audit Committee Member, namely En Abd Malik Bin A Rahman. He is a Chartered Accountant member of the Malaysian Institute of Accountants (MIA), a Fellow of the Association of Chartered Certified Accountants (UK) (ACCA), and a member of the Malaysian Institute of Certified Public Accountants (MICPA).</p> <p>All the Audit Committee attend trainings to continuously keep themselves updated on development on financial standards, practices and new rules.</p> <p>As part of the application of Practice 9.5 of the Malaysian Code on Corporate Governance where 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, the External Auditors presented an overview on the key changes and adoption of amendments to the Malaysian Financial Reporting Standards.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board is committed to maintaining a robust system of risk management and internal control within the Group. The Board acknowledges its overall responsibility for ensuring the adequacy, integrity, and effectiveness of the Group's risk management and internal control system (the "system").</p> <p>The Board ensures that the system manages the Group's key areas of risk within an acceptable risk profile to increase the likelihood that the Group's and business objectives will be achieved. The Board regularly reviews the internal control system to ensure it provides a reasonable but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.</p> <p>The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group and this process includes enhancing the risk management and internal control as and when there are changes to the business environment or regulatory guidelines.</p> <p>Further details are set out in the Statement of Risk Management and Internal Controls in the Annual Report 2025.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies 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 9.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group and this process includes enhancing the risk management and internal control system as and when there are changes to the business environment or regulatory guidelines. Management assists the Board in the implementation of the Board's policies and procedures on risk management and internal control by identifying and assessing the risks faced, and in the design, operation and monitoring of suitable internal controls to mitigate and control these risks.</p> <p>The Board is aware that a risk management framework and sound system of internal control should be embedded in the operations of the Group and form part of its culture. This system should be capable of responding quickly to evolving risks to the business arising from factors within the Group and changes in the business environment. It should include procedures for reporting immediately to appropriate levels of management any significant control failings or weaknesses that are identified together with details of corrective action being taken.</p> <p>Further details are set out in the Statement of Risk Management and Internal Controls in the Annual Report 2025.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies 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 9.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Group's internal audit function is outsourced to an independent advisory firm, Axcelasia Sdn Bhd to perform the independent risk-based internal audit review on the key operational areas of the Group.</p> <p>The internal audit function is responsible for conducting a consistent and systematic review on the adequacy and integrity of internal control systems to provide reasonable but not absolute assurance to ensure risks are appropriately identified and mitigated. The Internal Audit Plan for the year 2025/2026 was tabled and approved. The main areas identified for reviewed and reported encompasses the following:</p> <ul style="list-style-type: none">(i) Cybersecurity – Privacy, Data Management and Regulations;(ii) Sales and Marketing, and Revenue Recognition;(iii) Sustainability Management; and(iv) Talent Management, and Ethics and Code of Conduct. <p>Periodic internal audit reports and status on follow up actions were tabled to the Audit Committee and Board during its quarterly meeting. Criteria to be addressed in the report include risk identification and mitigation, corrective action plans and implementation of the plans by the Management.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 10.2

The board should disclose—

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Internal Audit Function is outsourced to an independent advisory firm, Axcelasia Sdn Bhd (“ASB”) to perform the independent risk-based internal audit review on the key operational areas of the Group. Details of the internal audit function are set out in the Statement of Risk Management and Internal Control and Audit Committee Report.</p> <p>The Internal Auditors report directly to the Audit Committee. The Internal Auditors attend and report at Audit Committee meeting on reviews conducted half yearly.</p> <p>ASB provided a total of five (5) personnel for the Internal Audit function. All the personnel were free from any relationships or conflicts of interest, which could impair their objectivity and independence during the course of their work.</p> <p>The internal audit function in ASB is led by Mr. Chang Ming Chew who is a Member of the Malaysian Institute of Accountants, Member of Information Systems Auditor, Member of the Institute of Internal Auditors Malaysia and Fellow Member of the Association of Chartered Certified Accountants with more than 20 years’ professional experience.</p> <p>All internal audit work carried out is guided by the International Professional Practices Framework promulgated by the Institute of Internal Auditors Inc., a globally recognised professional body for internal auditors.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is committed to upholding high standards of transparency and fostering investor confidence by providing comprehensive, accurate, and timely information to all stakeholders.</p> <p>The Company's Annual General Meeting ("AGM") serves as the primary forum for dialogue with shareholders. Shareholders are encouraged to engage with the Board at the AGM and vote on all resolutions. Extraordinary General Meetings are convened when necessary. As previously mentioned, the Board recognizes the importance of effective communication with shareholders and will continue to implement additional measures to promote shareholder participation at general meetings, as recommended by the Malaysian Code on Corporate Governance.</p> <p>This includes the Chairman emphasizing the right of shareholders and proxy holders to speak at the AGM, conducting poll voting for all resolutions, and reviewing the Group's performance during the AGM.</p> <p>To ensure meaningful participation and engagement, all Directors, including members of the Audit Committee (AC), Nomination Committee (NC), and Remuneration Committee (RC), attended and actively participated in the AGM in 2024.</p> <p>The Board ensures that shareholders and stakeholders are well-informed about the Group's strategies, performance, and major developments through the following channels:</p> <ol style="list-style-type: none">1. The Annual Report.2. Various disclosures and announcements made to Bursa Malaysia Securities Berhad, including quarterly and annual results.3. The Company's official website at www.ays-group.com, which provides shareholders and the public with the latest information on the Group.4. Meetings with fund managers, analysts, and interviews conducted with the press.
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 11.2

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

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

Intended Outcome

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

Practice 12.1

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	:	During the financial year ended 31 March 2025, the Notice of AGM was issued on 18 June 2024 and the AGM was held on 16 July 2024, with notice period of more than 28 days.	
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 12.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application	:	Applied	
Explanation on application of the practice	:	<p>The tentative date of the AGM is discussed and confirmed by the Board in advance to ensure that the Directors have sufficient time to make necessary arrangement to attend the planned AGM. All Directors were present at the 13th AGM on 16 July 2024. The Directors have provided meaningful response to any questions addressed to them.</p> <p>The External Auditors are also invited to the AGM to respond to any queries raised by shareholders relevant to the conduct of audit and financial statements of the Group, if any.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 12.3

Listed companies with a large number of shareholders or which have meetings in remote locations should leverage technology to facilitate–

- including voting in absentia; and
- remote shareholders' participation at General Meetings.

Application	:	Applied	
Explanation on application of the practice	:	The Company’s Annual General Meetings in 2024 was held virtually through live streaming and online remote voting. For the virtual meetings, only shareholders who have registered and who have been verified by the poll administrator were allowed to participate in the meetings. The meeting and online voting was conducted using a system which contains data privacy and security features. Information on how the shareholders can register, participate and vote during the virtual meeting was provided in the notice of meetings which were delivered to each shareholder in accordance with the provisions of the Company’s Constitution.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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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