CORPORATE GOVERNANCE REPORT

STOCK CODE	**:**	**5087**
COMPANY NAME	**:**	**MYCRON STEEL BERHAD**
FINANCIAL YEAR	**:**	**30 JUNE 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 PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA
Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board of Directors of the Company ("Board") is collectively responsible for the long term success of the Company and its subsidiaries ("the Group") and the delivery of sustainable value to its stakeholders. The Board assisted by the Board Committees, mainly the Audit and Governance Committee and the Risk and Sustainability Committee, will review the Group's strategic direction, core values and management of the Group to ensure that the Group operates within a framework of prudent and effective controls which enable risks to be appropriately assessed and managed as well as to be in compliance with all the applicable laws, rules and regulations. Notwithstanding that, the Board is also involved in matters that have significant impact on the Group's business, including, and not limited to, issues within objectives and strategies, operations, finances and employees. The Board Charter adopted by the Company defines the respective roles and responsibilities of the Board as well as identifies matters that are reserved for the decision of the Board which can be found at www.mycronsteel.com. The Board monitors the performance of Management through quarterly operational and financial reports, as well as through the review of key performance indicators ("KPIs") established for Management. The Board provides guidance and advice on the necessary measures to be undertaken, where required, to safeguard and enhance the Group's operational and financial performance and ensure that the Group is able to meet its obligations as and when they fall due.

	The Group Chief Executive Officer ("GCEO") who is supported by his management team is responsible for the day-to-day management of the business and operations of the Group and to ensure its regulatory as well as commercial compliance objectives are met. The Board during the financial year have been briefed by the GCEO and his management team on the challenging issues faced by the steel industry in the country as well as globally and the steps taken by Management to mitigate/address those issues. The Board was also briefed and updated on quarterly basis on the operational issues faced at the factories which also covered the steps taken to address those operational issues.	
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	:	The roles and responsibilities of the Executive Chairman of the Board are specified in the Company's Board Charter, which is available on the Company's website at www.mycronsteel.com The Executive Chairman of the Board is Tunku Dato' Yaacob Khyra whose roles and responsibilities are as follows: • Providing leadership for the Board so that the Board can perform its responsibilities effectively; • Setting the board agenda and ensuring that board members receive complete and accurate information in a timely manner for robust debate and quality decision making; • Ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole; • Chairing shareholders meeting and lead board meetings and discussions; • To act as the Company's ambassador, both within domestic market and internationally; • To facilitate and encourage active participation and effective contribution of non-executive directors as well as allow dissenting views to be freely expressed; • Managing the interface between Board and Management; • To act as a liaison between the Company and Government Officials, embassy and foreign investors; • To be the main spoke person for the Company; • Leading the Board in establishing and monitoring good corporate governance practices in the Company; and • To be in charge of branding and corporate imaging of the Company.
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 1.3

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

Application :	Applied	
Explanation on application of the practice :	The positions of the Executive Chairman of the Board and the GCEO are held by two (2) different individuals and each has a clear accepted division of responsibilities as set out in the Company's Board Charter to ensure a balance of power and authority. The Executive Chairman of the Board, Tunku Dato' Yaacob Khyra is primarily responsible for the achievement of the Group's strategic vision and also for leading the Board in its collective oversight of management, while the GCEO, En Roshan Mahendran bin Abdullah has overall responsibility over the business operations and day-to-day management of the Group and the implementation of the Board's policies and decisions.	
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

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'.			
Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Board, Tunku Dato' Yaacob Khyra is not a member of the Audit and Governance Committee ("AGC"), Nomination and Remuneration Committee ("NRC") and Risk and Sustainability Committee ("RSC") of Mycron.	
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 1.5

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	:	The roles and responsibilities of the Company Secretary include, but not limited to the following functions :- A. Meetings and Minutes ▪ notifying the Directors in advance of a meeting of the Board; ▪ ensuring that the agenda and Board papers as and when they are required, are prepared and forwarded to Directors prior to Board meetings; ▪ recording, maintaining and distributing the minutes of all Board and Board Committee meetings as required; ▪ maintaining a complete set of Board papers at the Company's main office; ▪ preparing for and attending all annual and extraordinary general meetings of the Company; and ▪ recording, maintaining and distributing the minutes of all general meetings of the Company. B. Compliance ▪ overseeing the Company's compliance program and ensuring all company legislative obligations are met; ▪ ensuring all requirements of the Companies' Act, Bursa Listing Requirements and any other regulatory body are fully met; and ▪ providing advice on corporate governance principles and Directors responsibility. C. Governance Administration ▪ maintaining a Register of Company Policies as approved by the Board; ▪ maintaining, updating and ensuring that all directors have access to an up-to-date copy of the Board Charter and associated governance documentation;

	▪ maintaining the complete list of the delegations of authority; ▪ reporting at Board meetings the documents executed under a power of attorney, documents executed in accordance with the relevant sections of the Companies Act and/or Constitution of the Company under the common seal; ▪ serve as a focal point for stakeholders' communication and engagement on corporate governance issues; and ▪ any other services the Chairman or Board may require. The Company Secretary is also accountable to the Board, through the Chairman, on all governance matters and reports directly to the Chairman as the representative of the Board. The Company Secretary is appointed and dismissed by the Board and all Directors have separate and independent access to the Company Secretary. The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in the discharge of her duties.	
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	:	The Board has access to timely and accurate information necessary in the furtherance of their duties. All Directors are furnished with the meeting agenda and other documents on matters requiring their consideration prior to and in advance of each Board meeting. Generally, the Board papers are circulated to all Board members at least five (5) working days prior to the Board/Committee meetings. Exceptions may be made for certain ad hoc or urgent instances when Directors unanimously consent to short notice. The Board has a regular schedule of matters which are typically on the agenda and is reviewed during the course of the year. The Board papers prepared for the quarterly scheduled meetings include, amongst others, the following: ➢ Minutes of previous Board meeting ➢ Minutes of the Board Committee's meetings ➢ Reports on matters arising ➢ Quarterly financial reports ➢ Report on operations The proceedings of and resolutions passed at each Board and Committee meetings are minuted by the Company Secretary and the minutes are circulated within a reasonable timeframe for comments and/or confirmation firstly from Management and subsequently to the respective Committees and the Board. The minutes of meetings record the decisions, including key deliberations, rationale for each decision made, any concerns or dissenting issues and matters where Directors abstained from voting or deliberation. Minutes of each meeting are kept at the registered office. The Company Secretary will ensure that Board's decisions and recommendations are communicated to the relevant Management and follow up with the Management on status of actions taken with reference to the previous minutes of meetings for updating to the Board. All action items would be tracked as matters arising in the minutes of meetings until they are resolved.

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 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	:	To ensure the effective discharge of its function and responsibilities, the Board had established a Board Charter which clearly sets out the relevant matters reserved for the Board's approval, as well as those that are delegated to the Board Committees and Chief Executive Officer. Key matters reserved for the Board's decision include, inter alia, the following: ➢ Acquisitions and disposals of assets of the Company that are material in nature; ➢ Investment in new business; ➢ Divestment / sale of existing business; ➢ Related-party transactions of a material nature; ➢ Authority levels for core functions; ➢ Investment and treasury policies; ➢ Risk Management policies; ➢ Outsourcing of core business functions; ➢ Corporate proposal on fund raising; ➢ Compensation and remuneration of directors and key senior officers. The Board Committees are authorised by the Board to undertake the duties and responsibilities in accordance with their respective Terms of Reference. The Chairman of the respective Board Committees reports its recommendation to the Board on matters deliberated in the Board Committee meetings.

	The Board Charter provides guidance to the Board in the fulfillment of its roles and responsibilities which are in line with the principles of good corporate governance. The Board will continue to review the Board Charter periodically as may be necessary in order to ensure it remains updated should there be changes to the Company's policies, procedures and processes or the relevant legislations and regulations. The Board Charter is available on the Company's website at www.mycronsteel.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	:	The Company has in place a Code of Conduct and Ethics ("the Code") which sets out the standards which the Directors, Senior Officers and Employees of the Company and its subsidiaries are expected to comply in relation to the affairs of the Company's businesses when dealing with each other, shareholders and the community. The principles on which this Code is based are as follows: • To avoid conflict of interest; • To avoid misuse and/or abuse of position; • To ensure protection of assets and interests, confidentiality of information and to prevent misuse of information gained through the Group's operations, either for personal gain or for any purpose other than that intended by the Group; • To encourage reporting of unlawful or unethical behaviour; • To ensure compliance with policies, laws, rules and regulations. Directors, Senior Officers and Employees of the MSB Group, are obliged to carry out their duties in an honest, fair, diligent and ethical manner, within the scope of the authority conferred upon them and in accordance with the applicable laws, rules, regulations, guidelines and internal policies and relevant procedures. The Board is required to observe compliance of the Code as well as the Board Charter and high standard of corporate governance at all times. The Board members are required to declare any personal, professional or business interest that may conflict with director's responsibilities.

	Together with the Management, the Board has established and implemented the following supporting policies: • Anti-Fraud/Anti-Corruption Policy - made available on the Company's website; • Whistleblowing Policy - made available on the Company's website; • Policy on Related Party Transactions; • Conflict of Interest Policy for all Employees of the Group and its Subsidiaries (including employees on contract terms, temporary staff, and those on internship or secondment); • Directors' Conflict of Interest Policy; and • Personal Data Protection Policy The Board will periodically review and update the Code in accordance with the needs of the Group to ensure that they continue to remain relevant and appropriate. The Code of Conduct and Ethics is also published on the Company's website at www.mycronsteel.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 3.2
The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied
Explanation on application of the practice	:	The Company has in place a Whistleblowing Policy which aims to commit to the highest standard of integrity, openness and accountability in the conduct of its business activities and operations. The Whistleblowing Policy facilitates the whistle-blower to report or disclose through established channels about any violations or wrongdoings they may observe in the Group without fear of retaliation and in doing so they should act in good faith when reporting such concerns. The Whistleblowing Policy not only facilitate but also assure the whistle-blowers that they will be protected from discrimination or victimization. The Whistleblowing Policy will be reviewed by the AGC and Board on a regular basis to ensure its relevancy and alignment with the prescribed requirements and best corporate governance practices. The Whistleblowing Policy is available for access on the Company's website at www.mycronsteel.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 company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.1
The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Board Charter outlines the roles and responsibility of Board in relation to the governance of sustainability, including setting the company's sustainability strategies, priorities and targets. The Sustainability Report included in the Annual Report describes the Company's management of material economic, environmental and social risks and opportunities. As stated in Part 2 of the Sustainability Report, the Board is responsible for reviewing and monitoring the implementation of the Group's overall strategic plan, with the support of Senior Management. Senior Management comprises the heads of the Company's business units and divisions, who oversee operational and sustainability risks and are responsible for identifying relevant risk issues. The Company has a sustainability governance structure to oversee the sustainability practices across the organisation. The sustainability matter is under the purview of the AGC. The Group has also developed a Sustainability Framework & Policy which enforced on 23 February 2022.	
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 4.2
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	:	The Board ensures that information on the Company's sustainability strategies, priorities, targets, and performance is shared in the Company's Sustainability Report in the Annual Report. The sustainability strategies, priorities, targets, and performance against these targets of the Company are regularly reviewed, developed, and monitored on quarterly basis. The Sustainability Report, which forms Part 2 of the Company's Annual Report 2026, provides stakeholders with information on the Group's sustainability strategies, priorities, targets and initiatives, as well as its performance against the relevant sustainability objectives. The Sustainability Report serves as one of the key channels through which the Group communicates its sustainability performance and progress to both internal and external stakeholders.	
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 4.3

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	:	The Board has taken significant steps to monitor the Group's Environmental Social and Governance (“ESG”) initiatives. The Group Chief Executive Officer (“GCEO”), Group Chief Financial Officer (“GCFO”) and key senior management provides regular updates to the RSC/Board on a quarterly basis, keeping them informed of the Group's sustainability efforts. The RSC actively reviews ESG related risks and opportunities, ensuring they are integrated into the Company’s overall risk management strategy and aligned with the Group’s sustainability commitments. ESG discussions had been integrated into the boardroom agenda under the Sustainability report and permeated throughout the deliberations of the board in terms of the Company’s strategies. The Board had also undertaken the relevant training to stay abreast with and understand the sustainability issues relevant to the Company and its businesses, including climate-related risks and opportunities. During the financial year 2026, the Group had undertaken various sustainability initiatives as disclosed in the sustainability report of the Company’s Annual Report.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 4.4
Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	In August 2026, the Board had evaluated its performance in addressing the Company's material sustainability risks and opportunities via an Evaluation Questionnaire Relating to ESG or Sustainability. Through the review and assessment of the results of the evaluation, all the members of the Board had unanimously viewed that the Board and senior management had performed its duties effectively in considering sustainability issues during its deliberations on the Group's strategies and business plans. The annual performance evaluation of the Senior Management includes the appraisal related Sustainability initiatives and Key Performance Indicators of each entity across the MSB Group.	
Explanation for departure	:	Please provide an explanation for the departure.	
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.	
Application :	Adopted
Explanation on adoption of the practice :	The Group Chief Executive Officer, En Roshan Mahendran bin Abdullah is the designated person to provide dedicated focus to manage sustainability strategically in the operations of the Group.

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

Practice 5.1
The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	:	Applied
Explanation on application of the practice	:	The NRC assists the Board in reviewing the required mix of experience and other qualities of the Board on an annual basis. The Board had adopted a Fit and Proper Policy which set out the fit and proper criteria for the appointment, election and re-election of Directors of the Company and its subsidiaries and to ensure that only individuals of high caliber who possess the right character, experience, expertise, integrity, track record and qualifications are appointed on the Board of the Group. The NRC, in accordance with its Terms of Reference, is also tasked to review and assess the tenure, performance and contribution of retiring Directors including the fit and proper criteria as set out in the Directors' Fit and Proper Policy before recommending to the Board for consideration. The NRC also ensures that the composition of the Board and Board Committees adhere to the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"). When considering the Directors for re-election, the NRC considered the following:- • Director's performance and contribution based on self-assessment results from the Board's evaluation; • The Director's level of contribution to the Board deliberations through several aspects, i.e. skills, experience, time commitment, strength in qualities; • The level of independence demonstrated by the Director (if applicable) and the Director's ability to act in the best interests of the Company; • Degree of familiarity with the Company's business activities and its operating environment. The Board was satisfied with the overall performance and contributions of all Directors of the Board as of the present. The Board further endorsed the re-election of these directors who are due for retirement as recommended by the NRC.

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 5.2
At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Applied
Explanation on application of the practice	:	The composition of the Board as at 30 June 2026 comprised of four (4) Independent Non-Executive Directors, two (2) Non-Independent Non-Executive Directors and two (2) Executive Directors. The four (4) Independent Directors representing approximately 50% of the Board demonstrates independence of judgement and ensure board decisions are made objectively in the best interests of the Company. The Independent Directors therefore make up more than half of the Board, as recommended by the MCCG. Dedicated Board Committees were also established and are chaired by Independent Non-Executive Directors. The three (3) Board Committees established by the Board namely: • Audit and Governance Committee; • Risk and Sustainability Committee; and • Nomination and Remuneration Committee As an additional measure to safeguard independence, the Board had appointed Mr Kwo Shih Kang as the Senior Independent Director to be the principal conduit between the Chairman and the Independent Directors. He is also tasked to address any enquiries or concerns raised by stakeholders which cannot be resolved through the normal channels of contact with the Chairman or the GCEO. The Board was of the opinion that the current number of Independent Directors is sufficient to ensure check and balance of power and authority on the Board.
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 5.3
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 had adopted the recommendation of the Malaysia Code on Corporate Governance ("MCCG") that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve the Board subject to the Director's re-designation as a Non-Independent Director. As at the date of issuance of this report, there is no Independent Non-Executive Director who have served on the Board for a cumulative term of more than nine (9) years.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 5.4 - Step Up
The board has a policy which limits the tenure of its independent directors to nine years without further extension.

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.		
Application	:	Adopted
Explanation on adoption of the practice	:	The Company has adopted a policy to limit the tenure of independent Directors that should not exceed a cumulative term of nine (9) years in the Procedure for the Appointment and Removal of Directors.

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	:	There is a clear and transparent process for the nomination, selection and appointment of suitable candidates to the Board according to Procedure for the Appointment and Removal of Directors and the Review of the Effectiveness of the Board and Individual Directors. The said policy includes assessing the suitability of an individual before recommendation is made to appoint the candidate to the Board, based on the following criteria: • skills, knowledge, expertise and experience of the candidate; • education qualification and/or working experience of the candidate; • age, ethnicity, cultural background and gender of the candidate; • the number of directorships already held by the candidate; • the candidate's other commitments and resources and time available for input to the Board; • relationship of the candidate with any director or major shareholder of the Company; • Diversity of the Board composition, including the gender diversity target. Where relevant and applicable, similar principles are adopted by the Department of People & Culture in the selection and appointment of Senior Management within the Group.
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 5.6
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	:	The NRC will be guided by the principles mentioned under Practice 5.5 while assessing and recommending suitable candidates for the appointment of Board member. The Procedure for the Appointment of Directors states that the NRC may seek a potential candidate through a variety of approaches and sources to ensure that it is able to identify the most suitable candidates that will enhance the composition of the Board with sufficient diversity and independence and fit the Company's objectives and strategic goals. Furthermore, the NRC shall consider not only the recommendation by Management, existing board members or major shareholders, but include independent sources such as sourcing through directors' registry or use of independent search firms. The Board currently relies on the existing network and referrals from existing Directors, senior management and or major shareholders as primary means to source for new Directors as they represent a tried and tested method of sourcing high-calibre directors with a sound understanding of the business. The Directors' appointment process is carried out based on methodical and systematic approach undertaken by the NRC. Candidates recommended are thoroughly assessed based on their competence, integrity, character, time commitment and experience as stated in Paragraph 2.20A of the MMLR of Bursa Securities.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure	:		
Timeframe	:		

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

Practice 5.7
The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied	
Explanation on application of the practice	:	The information on the appointment and reappointment of a Director are available to the Shareholders on the Company's website and Bursa Securities's website. The Company will release an immediate announcement to Bursa Securities in accordance with the prescribed format whenever there is an appointment of new Director. The re-election of Director will be set out in the notice of AGM and announcement to Bursa Securities. The profile of Directors who are due for retirement and eligible for re-election are published in the 2026 Annual Report, which includes their age, gender, date of appointment, directorships in other companies, qualification, working experience, any conflict of interest with the Company and shareholdings in the Company, if any.	
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	:	Currently, the NRC comprises of three (3) members, all of whom are non-executive with the majority being Independent Directors. The Chairman of the NRC is Mr Kwo Shih Kang who is the Senior Independent Non-Executive Director. The NRC met three (3) times during the financial year ended 30 June 2026 to review the results of the evaluation performed on the Board and Board Committees as well as to review, assess and recommend to the Board the remuneration package of the Executive Chairman, GCEO and Senior Management of the Company. The terms of reference of the NRC also sets out that the Chairman of the NRC is to be an Independent Non-Executive Director.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

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

Practice 5.9
The board comprises at least 30% women directors.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Board is supportive of the gender diversity in the boardroom as recommended by the MCCG. The Company recognises the importance of gender diversity and the valuable contribution of women at both Board and senior management levels. The Group continues to implement its Policy on Diversity and promotes equal opportunity based on merit, skills, experience and suitability. More than half of the senior management positions within the Group are held by women, representing approximately 52% of the Group's senior management team. This reflects the Group's continued commitment to gender diversity and the advancement of women into leadership positions. The Board noted that the Company is in compliance with the amendments to the MMLR of Bursa Securities which mandates a listed company to have at least one (1) woman Director on its Board. The appointment of Datin Seri Raihanah Begum an Independent Non-Executive Director on to the Board fulfils this requirement. The Board is committed to provide fair and equal opportunities, through its NRC, in considering gender diversity to achieve the optimum composition of the Board. The Board, through the NRC, will continue to observe the female participation in the Board and the Board will strive to meet the objective of the recommendation of the MCCG.
		The Company is in compliance with the requirement of the MMLR of Bursa Securities.
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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 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	:	The Company sees the participation of women as being fundamental to the achievement of equal opportunity in the workplace and has reviewed and continues to implement its Policy on Diversity. The relatively large number of female employees in the Group is proof that the gender diversity approach has long been in practice in the Group. The Board had set a target of having at least one (1) woman director on the Board.	
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 form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1
The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

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

Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.		
Application	:	Applied
Explanation on application of the practice	:	The Company Secretary facilitated the NRC in carrying out the annual evaluation of the effectiveness of the Board, Board Committees and individual Directors based on questionnaires incorporating the following:- • Board skill matrix; • Board mix and Composition; • Quality of information and decision making; • Boardroom activities; • Board's relationship with the management; • Performance evaluation on Board Committees; • Directors' self-assessment; In August 2026, the NRC reviewed the results of the evaluation exercise and considered the comments given by the Board and Board Committee members and the areas for continuous improvement. The NRC agreed that the Board, Board Committees and each individual Director have performed well and effectively during the year under review. Based on the NRC's recommendation, the results of the annual evaluation and the areas for continuous improvement were deliberated and adopted by the Board. In August 2026, the NRC had also reviewed and assessed the terms of office and performance of the AGC and its members to determine whether the AGC and its members have carried out their duties in accordance with their Terms of Reference. The results of the assessment were tabled to and duly noted by the Board. The Board will consider to engage an independent expert to facilitate in the annual evaluation process of the Board and Board Committees when the need arises.

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	:	The Group's Remuneration Policy sets out the procedure of determining the remunerations of directors (executive and non-executive), group managing director/group chief executive officer and key senior officers. On a yearly basis, the NRC reviews and recommends to the Board the remuneration packages of the GCEO and Senior Key Officers, taking into consideration, where applicable, recommendations by the Executive Chairman and Management and relevant market remuneration benchmarks and industry salary data obtained from reputable external sources. In making its recommendations, the NRC also considers the respective roles and responsibilities, skills and experience, individual and Group performance, as well as prevailing market practices. The remuneration of the Non-Executive Directors is determined by the Board as a whole. In making its recommendations, the NRC is guided by the principles set out in the Procedure for Determining the Remuneration of the Directors, GCEO and Key Senior Officers. At present, Mycron's Board and Senior Management remuneration remains competitive and is benchmarked against industry standards to attract and retain the right talent in Mycron to drive the Group's long-term objectives.
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 7.2
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 NRC functions on a Terms of Reference (TOR) approved by the Board. The NRC recommends to the Board the remuneration package of the Executive Directors and Senior Management. The Executive Directors do not participate in decisions regarding their own remuneration packages. The Board as a whole determines the remunerations of Non-Executive Directors with individual Directors abstaining from making decisions in respect of their individual remunerations. The Directors' fees and meeting allowance are approved at the AGM by shareholders. The main duties and responsibilities of the NRC set out in the TOR are to assist the Board in succession planning and appointment of board members as well as annual evaluation of the performance of the Board, Board Committees and individual directors, and developing and administrating the appropriate remuneration policies applicable to Directors, GCEO and key senior officers. The Terms of Reference of the NRC is published on the Company's website.
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 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	:	Detailed disclosure on named basis for the remuneration of individual Directors is set out in the table below.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	TUNKU DATO' YAACOB KHYRA	Executive Chairman	-	-	2,160	360	17.4	378	2,915.4	-	-	-	-	-	-	-
2	ROSHAN MAHENDRAN BIN ABDULLAH	Group Chief Executive Officer	-	-	-	-	-	-	-	-	-	2,818.6	469.8	43.7	494.2	3,826.3
3	AZLAN BIN ABDULLAH	Non-Executive Non-Independent Director	60	3	-	-	-	-	63	-	-	-	-	-	-	-
4	TENGKU DATUK SERI AHMAD SHAH IBNI ALMARHUM SULTAN SALAHUDDIN ABDUL AZIZ SHAH	Non-Executive Non-Independent Director	60	4.5	-	-	0.1	-	64.6	-	-	-	-	-	-	-
5	DATIN SERI RAIHANAH BEGUM BINTI ABDUL RAHMAN	Independent Director	72	9	-	-	-	-	81	-	-	-	-	-	-	-

6	KWO SHIH KANG	Senior Independent Director	72	9	-	-	-	-	81	-	-	-	-	-	-	-
7	DATO' MOHD ZAHIR BIN ZAHUR HUSSAIN	Independent Director	72	7.5	-	-	2.8	-	82.3	-	-	-	-	-	-	-
8	DATO' DR. KILI GHANDHI RAJ A/L K R SOMASUNDRAM	Independent Director	72	7	-	-	-	-	79	-	-	-	-	-	-	-
	Input info here	Choose an item.														
	Input info here	Choose an item.														
	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The remuneration of the top four (4) Senior Management is disclosed in bands of RM50,000 as set out in Item 3.3 of the CG Overview Statement of the Annual Report 2026. In determining the remuneration packages of the Senior Management, factors that were taken into consideration included their individual responsibilities, skills, expertise and contributions to the Group's performance and whether the remuneration packages are competitive and sufficient to ensure that the Group is able to attract and retain executive talents as well as the overall performance of the Company and benchmarked against other companies operating in similar industry. The Board was of the opinion that the disclosure of the Senior Management personnel names and the various remuneration components (salaries, bonus, benefit-in-kind, other emoluments) would not be in the best interest of the Group having considered the highly competitive human resource environment for personnel with the requisite knowledge, expertise and experience in the Group's business activities. The Board ensures that the remuneration of Senior Management commensurate with the performance of the Group, with due consideration to attract, retain and motivate Senior Management to lead and run the Group successfully.
		The Board will continuously undertake a robust internal process to ensure that the remuneration of Senior Management is competitive and fair.
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.

Timeframe	:	Choose an item.	

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

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

Practice 8.3 - Step Up

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.1
The Chairman of the Audit Committee is not the Chairman of the board.

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the AGC and the Chairman of the Board are held by two (2) distinct individuals which allows the Board to objectively review the AGC's findings and recommendations. The Chairman of the AGC is Mr Kwo Shih Kang, who is an Independent Non-Executive Director. He is not the Chairman of the Board.	
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 an effective and independent Audit Committee.

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

Practice 9.2
The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied	
Explanation on application of the practice	:	The Terms of Reference of the Audit and Governance Committee has included the said requirement of the 3 years' cooling off period. None of the members of the AGC is a former key audit partner. The Board will observe a cooling-off period of at least 3 years in the event any potential candidate to be appointed as a member to the AGC was a key audit partner as its AGC member in line with the updated Malaysian Code on Corporate Governance 2021 guidelines.	
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 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	:	The AGC assesses and monitors the performance and independence of the External Auditors which is set out as one of the roles and responsibilities of the AGC in its Terms of Reference. The external auditors confirmed their independence on an annual basis through their audit engagement in accordance with their firm's requirements and with the provisions of the By-Laws on Professional Independence of the Malaysian Institute of Accountants. Based on the assessment conducted by the AGC on 26 August 2026, the Board was satisfied that the quality of service, adequacy of resources provided, communication, independence and professionalism were demonstrated by the External Auditors in carrying out their function. Pursuant to this, the Board is recommending to the shareholders for the re-appointment of the External Auditors during the forthcoming Annual General Meeting.
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 an effective and independent Audit Committee.

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

Practice 9.4 - Step Up
The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	Currently the AGC comprises of four (4) members, all of whom are Independent Non-Executive Directors. The qualification and experience of the AGC members are disclosed in the Board of Directors profile which can be found in the Annual Report.

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	:	The AGC has a mix of qualified and experienced professionals in the field of finance, accountancy, consultancy and insurance. All the AGC members have attended the necessary trainings to discharge their duties including to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules. The trainings attended by the members of the AGC can be found in the Corporate Governance Overview Statement in the Annual Report.	
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 10.1
The board should establish an effective risk management and internal control framework.

Application	:	Applied	
Explanation on application of the practice	:	The Company has an established risk management and internal control framework. The Board through the RSC and the AGC, continually reviews the adequacy and effectiveness of the framework. The RSC and the AGC, all of whom are Independent Non-Executive Directors, assist the Board in discharging these responsibilities by overseeing and reviewing the risk management framework and the effectiveness of the risk management and internal control of the Group. On-going reviews are performed on a quarterly basis to identify, evaluate, monitor and manage significant risks affecting the business and ensure that adequate and effective controls are in place. Such continuous review processes are conducted by the Company's Senior Management Team as well as the Group's independent internal audit function. The findings of the internal audit function are reported on quarterly basis. Further details on the framework can be found in the Statement on Risk Management and Internal Control in the Annual Report.	
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 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 :	The responsibilities of identifying and managing risks are delegated to the respective Heads of Departments. The RSC will review the effectiveness of the processes involved. Any material risk identified will be discussed and appropriate/mitigating actions or controls will be implemented. This is to ensure the risk is properly monitored and managed to an acceptable level. The features of the Group's risk management and internal control framework, and the adequacy and effectiveness of the framework are set out in the Statement on Risk Management and Internal Control of the 2026 Annual Report which was reviewed by the External Auditors and the Board.	
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 10.3 - Step Up
The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application	:	Adopted
Explanation on adoption of the practice	:	Currently, the RSC comprises of four (4) members, all of whom are Independent Non-Executive Directors.

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board acknowledges the importance of the internal audit function and has outsourced its internal audit function to an independent external professional firm, Crowe Governance Sdn Bhd ("Crowe") ("Internal Audit Consultant") as part of the effort to ensure that the Group's system of internal controls is adequate and effective. The independent Internal Audit Consultant reports directly to the AGC on its activities based on approved annual internal audit plan; however, should the AGC have knowledge of an urgent and important area to be audited, Crowe would then be directed to revise their audit plan accordingly. The principal responsibility of the internal audit function is to undertake regular and systematic review of the systems of internal control, risk management process and compliance with the Group's established policies and procedures so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively in the Group. The AGC was satisfied that the internal audit is effective and able to function independently. Details of the internal audit activities and scope of coverage of the outsourced internal audit function including the cost incurred are set out in the Audit and Governance Committee Report included in the 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

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	:	The internal audit personnel involved are free from any relationships or conflicts of interest, which could impair their objectivity and independence. All employees in Crowe Malaysia are required to complete the Independence Declaration Form on an annual basis. In addition, all internal audit personnel involved are required to acknowledge on the Employee Professional Conduct and Ethics Declaration on assignment basis. The internal audit department of Crowe Malaysia consists of approximately 45 internal audit personnel and 1 admin personnel. The internal audit department is led by the Executive Director, Mr Amos Law. Mr Amos holds the professional qualification namely Certified Internal Auditor, Chartered Institute of the of Internal Auditors, and Certification in Risk Management Assurance. He has more than 30 years of internal and external audit experiences. All the internal audit personnel are guided by the International Professional Practices Framework issued by the Institute of Internal Auditors Malaysia in carrying out the internal audit engagements. Crowe had confirmed that they have no professional conflict of interest with regards to their Engagement and do not have any association with the Company (“MSB”) and its subsidiary companies or members of and MSB’s staff. Crowe adopts a risk-based approach in developing its audit plan which addresses all the core auditable areas of the Group based on their risk profile.
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 12.1

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

Application	:	Applied
Explanation on application of the practice	:	The Annual General Meeting ("AGM") is a good opportunity for proactive engagement and communication between the Board, shareholders and investors. Shareholders who are unable to attend are entitled to appoint a proxy to attend, speak and vote on their behalf. The Board has appointed Mr Kwo Shih Kang as the Senior Independent Non-Executive Director, to whom any queries, feedbacks and concerns with regard to the Group, may be conveyed. All shareholders are encouraged to attend the Company's general meetings and to participate in the proceedings. At the AGM and/or Extraordinary General Meeting, the Chairman gives shareholders ample opportunity to participate through questions on the prospects, performance of the Group and other matters of concern addressed to the Board. Shareholders' suggestions received during the general meetings are reviewed and considered for implementation, wherever possible. The notice of the meeting will also be advertised in the newspaper. The Mycron Group website www.mycronsteel.com contains corporate information of the Company, including references to and notices about the AGM, periodic financial statements, Board Charter, Code of Conduct and Ethics, Fit and Proper Policy, Anti-Corruption Policy, Procedure for determining the remuneration of directors, Group Chief Executive Officer and Key Senior Officers and Terms of Reference of the Board Committees.
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	:		
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 13.1
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	:	The notice of 22nd AGM of the Company was issued on 30 October 2025 for the AGM held on 3 December 2025, giving shareholders more than twenty-eight (28) days' notice prior to the AGM. The Notice of AGM which sets out the businesses to be transacted at the AGM, was also published in a major local newspaper. The notes to the Notice of AGM also provide detailed explanation for each resolution proposed to enable shareholders to make informed decisions in exercising their voting rights. The notice for the upcoming 23rd AGM to be held in 2026 would be issued 28 days before the meeting. This is to ensure that shareholders are given sufficient time to read and consider the resolutions to be resolved.
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 13.2
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	:	All Directors of the Company attended the 22nd AGM, which was conducted physically. The physical AGM provided shareholders with the opportunity to attend in person, engage directly with the Board and Management, raise questions during the proceedings, and exercise their voting rights at the meeting. The physical meeting facilitated direct interaction between shareholders and the Board, enhancing transparency, accountability and meaningful engagement. Members of the Senior Management and the External Auditors of the Company were also present at the AGM to address shareholders' queries and provide the necessary clarifications. In addition, the Chairman of the respective Board Committees will be available to respond to queries relating to matters within their respective scopes, further strengthening engagement and communication between the Board and shareholders. The Company had adopted electronic shareholder registration and electronic poll voting system which encourages and facilitate shareholders' participation at the general meetings. The shareholders present at the 22nd AGM were invited to ask questions about the resolutions proposed at the AGM as well as matters relating to the Group's businesses before putting them to vote by poll.
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 13.3
Listed companies should leverage technology to facilitate–

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

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The 22nd AGM of the Company was conducted physically on 3 December 2025. In determining the mode of the AGM, the Board considered the need to facilitate meaningful engagement between shareholders, the Board and Management, and was of the view that a physical meeting provided an effective platform for direct interaction and discussion. Shareholders who were unable to attend the AGM in person were able to exercise their voting rights by appointing proxies, including the Chairman of the Meeting, in accordance with the Constitution and applicable requirements. While the Company did not provide remote participation facilities for the 22nd AGM, the Board will continue to review the use of appropriate technology for future general meetings, taking into consideration shareholders' needs, technological developments and the effectiveness of such arrangements in facilitating shareholder participation.
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 13.4
The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.		
Application	:	Applied
Explanation on application of the practice	:	During the 22nd AGM held on 3 December 2025, shareholders were provided with sufficient opportunity to pose questions during the meeting. The Chairman of the Board, along with the Board and senior management, were in attendance at the 22nd AGM to address questions from shareholders and proxies. Sufficient opportunity was provided for shareholders and proxies to pose their inquiries during the AGM, and the Board and senior management promptly responded to the questions raised. The Company did not limit or restrict the scope of questions asked, may it be financial or non-financial in nature. The questions and answers during the 22nd AGM together with the Minutes of Meeting were published on the Company's website.
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 13.5
The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

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

Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.			
Application	:	Applied	
Explanation on application of the practice	:	The Minutes of the 22nd AGM (including all the questions raised at the AGM and the answers thereto (if any) which had been published on the Company's website at www.mycronsteel.com no later than thirty (30) business days after the 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	:		

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

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

Click or tap here to enter text.