

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0347
COMPANY NAME : Wawasan Dengkil Holdings Berhad
FINANCIAL YEAR : June 30, 2026

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors ("the Board") of Wawasan Dengkil Holdings Berhad ("WD" or "the Company") assumes full responsibility for the overall performance of the Company and its subsidiaries ("the Group") by setting strategic directions and objectives, formulating policies, and overseeing the execution of key strategic initiatives aimed at creating long-term shareholder value, whilst safeguarding the interests of other stakeholders.</p> <p>To this end, the Board has established the Group's vision, mission and core values by taking into consideration the interests of shareholders and other stakeholders, as follows: -</p> <p><u>VISION</u> "Building Better Tomorrow" To be a recognised leader in innovative and sustainable earthwork and civil engineering, shaping a future where our projects stand as benchmarks for excellence and environmental stewardship.</p> <p><u>MISSION</u> "Exceeding Expectation, Setting New Standards" We are dedicated to delivering outstanding earthwork and civil engineering services, utilising expertise, technology and a committed workforce to surpass client expectations. Our goal is to enhance infrastructure, fostering economic growth and environmental sustainability.</p> <p><u>CORE VALUES</u> Determination We are determined to achieve excellence in every project, overcoming challenges with resilience and ensuring client satisfaction.</p>

	Empower	To inspire individuals to engage in continuous learning and skill development, empowering them with valuable soft skills and green skills knowledge. Enhance both their personal and professional lives, while encouraging active investment in self-improvement and growth.
	Nurture	We nurture talent and relationships, cultivating a supportive culture that helps our team grow and builds lasting partnerships.
	Grateful	Gratitude is fundamental. We appreciate the trust of our clients, the hard work of our team and the opportunities to contribute to Malaysia's infrastructure.
	Knowledgeable	We value continuous learning, staying knowledgeable to provide top-notch solutions and staying ahead in our industry.
	Innovation	Innovation is part of our DNA. We encourage new ideas, driving the development of cutting-edge solutions for our projects.
	Leadership	We cultivate an environment where every team member is encouraged to lead, innovate and grow. By setting industry standards and embracing market trends, we drive innovation and inspire positive change.
<p>Guided by the Board Charter, the Board holds ultimate accountability and responsibility for the stewardship of the Company, including but not limited to:</p> <ul style="list-style-type: none"> (a) adopting and reviewing a strategic plan, taking into account the sustainability and long-term value creation of the business and strategic, with attention given to the environmental and social (“ESG”) considerations underpinning sustainability and governance aspects of the business; (b) setting and taking responsibility of the Group’s sustainability policy to oversee and meet the Group’s sustainability goals to maintain the confidence of stakeholders; (c) reviewing, challenging and deciding on the Management’s proposals on matters for the Group including corporate strategy business plan and budget, and monitor the implementation by the Management; 		

	<p>(d) supervising and overseeing the conduct of the business, including assessing and monitoring the performance of the Management to determine whether the business is properly managed;</p> <p>(e) identifying and assessing the principal business risks faced by the Group and ensuring the implementation of appropriate internal controls and mitigating measures to manage such risks;</p> <p>(f) setting the risk appetite which the Board expects the Management to operate and ensure that there is an appropriate annual review and periodic testing of the Group's internal control and risk management framework;</p> <p>(g) adopting a succession planning policy of the Board and the senior management and regularly reviewing the succession plan of the Group, including appointing, training, compensating and where appropriate, to provide for the orderly succession of senior management;</p> <p>(h) establishing a corporate disclosure policy and overseeing the implementation of the shareholders communication policy and an investor relations programme for the Group;</p> <p>(i) setting corporate values and promoting good governance culture within the Group which reinforces the accountability, transparency, integrity, and professional behaviour, ensuring that its obligations to shareholders and other stakeholders are met;</p> <p>(j) ensuring that governance in the Group is implemented holistically through a group governance framework and overseeing the Group's adherence to the Group's policies as well as formalising ethical standards of conduct; and</p> <p>(k) ensuring the integrity of the Group's financial and non-financial reporting.</p> <p>Details of the full roles and responsibilities of the Board are specified in the Company's Board Charter which is available on the Company's website at www.wawasandengkil.com/investor-relations/corporate-governance.</p> <p>To ensure an effective discharge of responsibilities, the Board has delegated specific responsibilities and authorities to three (3) Board Committees, namely Audit and Risk Management Committee ("ARMC"), Nomination Committee ("NC") and Remuneration Committee ("RC"). While the Board is guided by its Board Charter, each Board Committee operates within its designated functions and duties as specified in their respective Terms of Reference ("TOR"). The TOR for each Board Committee are available on the Company's website at www.wawasandengkil.com/investor-relations/corporate-governance.</p>
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Explanation for departure	:		
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Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is currently led by Mr. Lee Cong Quan ("Mr. Lee"), an Independent Non-Executive Chairman, who was appointed on 5 June 2026. He succeeded Mr. Thien Chiet Chai ("Mr. Thien"), who resigned as an Independent Non-Executive Director and Chairman of the Board on 5 February 2026.</p> <p>Following Mr. Thien's resignation and pending Mr. Lee's appointment, Ms. Gladys Mak Sow Lin ("Ms. Gladys") was appointed to chair the Board meetings.</p> <p>The Board Chairman is responsible for providing leadership to the Board, instilling good corporate governance practices and promoting the Board's overall effectiveness. As set out in the Board Charter, the Board Chairman's responsibilities include:</p> <ul style="list-style-type: none">(a) providing leadership to the Board and overseeing its effective discharge of duties and responsibilities;(b) chairing the Board meetings, facilitating meaningful contributions from all Directors during the Board meetings, ensuring that no member dominates the discussions, and encouraging open discussion and diverse opinions among members as well as ensuring all relevant issues are on the agenda, timely and relevant information tailored to each Director's needs are provided to Directors, and proper briefing on matter discussed during the meetings;(c) setting the agenda for Board meetings in consultation with the Executive Directors and company secretary;(d) ensuring adequate time is allocated for deliberation of key matters, and that decisions are made based on a sound judgement and well-informed considerations;(e) promoting constructive and respectful relationships among Directors, and between the Board and Management;(f) providing guidance and mentorship to Executive Directors while maintaining regular dialogue with Executive Directors and

	<p>management to stay informed on all major issues and matters affecting the Group;</p> <p>(g) engaging in appropriate public relations activities in conjunction with the Executive Directors to facilitate effective communication with stakeholders and to relay their views to the Board; and</p> <p>(h) leading the Board in the adoption and implementation of good corporate governance practices in the Company.</p> <p>The roles and responsibilities of the Board Chairman are fully disclosed in the Board Charter and it is accessible on the Company's website at www.wawasandengkil.com/investor-relations/corporate-governance.</p>	
Explanation for departure	:	
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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 role of Board Chairman is separate from the Group's executive leadership. Mr. Thien served as the Company's Independent Non-Executive Chairman until his resignation on 5 February 2026. Following his resignation, Ms. Gladys was appointed to preside over meetings of the Board during the interim period, until Mr. Lee was appointed Independent Non-Executive Chairman on 5 June 2026.</p> <p>The Group's executive leadership is jointly undertaken by two (2) Executive Directors, Mr. Lim Soon Yik ("Mr. Lim") and Mr. Lim Kok Seng. Mr. Lim is primarily responsible for formulating and implementing the Group's overall business strategy and corporate development, including overseeing corporate policies and management practices. Mr. Lim Kok Seng oversees the Group's day-to-day operations.</p> <p>The respective roles and responsibilities of the Board Chairman and the Executive Directors are set out in the Board Charter, which is available on the Company's website at www.wawasandengkil.com/investor-relations/corporate-governance.</p> <p>The separation of the Board Chairmanship from executive management supports a balance of power and authority and enables the Board to provide independent oversight of 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

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>Mr. Thien served as the Company's Independent Non-Executive Chairman until his resignation on 5 February 2026. Mr. Lee was appointed as the Independent Non-Executive Chairman on 5 June 2026. Neither Mr. Thien nor Mr. Lee was a member of ARMC, NC or RC, with a view to preserving appropriate checks and balances and maintaining objective oversight by the Board. However, both attended meetings of these Board Committees by invitation. Their attendance was intended to facilitate their understanding of the matters deliberated by the respective Board Committees and to enable them to remain apprised of significant matters relevant to the Board's oversight responsibilities. The Board Chairman did not participate in the decision-making process in respect of any resolutions, proposals or matters presented to the Board Committees for approval or recommendation.</p> <p>The deliberations and decisions of the respective Board Committees remained the responsibility of their duly appointed members. Accordingly, the Board considers that the Board Chairman's attendance at such meetings did not compromise the independence of the Board Committees or the objectivity of the Board's decision-making process, as appropriate safeguards were observed to maintain a clear distinction between the Chairman's role at the Board level and the functions and responsibilities of the respective Board Committees.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>Throughout the financial year ended 30 June 2026 ("FYE 2026"), the Board was supported by two (2) suitably qualified and competent Company Secretaries, namely Ms. Teo Soon Mei and Puan Nazirah Binti Nazri, both of whom are Fellow and Associate members of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") and are qualified to act as the company secretaries under Section 235(2)(a) of the Companies Act 2016.</p> <p>The Company Secretaries play a crucial advisory role to the Board by providing advice on the Company's corporate administrative matters, corporate governance practices and meeting procedures. Their primary responsibility is to ensure that the Group adheres to all applicable legal requirements and maintains the highest standards of corporate governance.</p> <p>During the FYE 2026, the Company Secretaries properly and reasonably discharged their roles and duties through the following key activities:</p> <ul style="list-style-type: none">(a) Maintaining the Group's statutory records, registers and documents in a proper and appropriate manner to assist the Board in effectively discharging its fiduciary responsibilities in alignment with corporate governance best practices;(b) Coordinating all Board and Board Committees' meetings in a timely manner, ensuring accurate recording of meeting minutes and facilitating effective Board communication;(c) Advising the Board and Board Committees on their roles and responsibilities, corporate disclosures, as well as procedural and regulatory requirements, to ensure the discharge of their fiduciary duties and responsibilities effectively;(d) Keeping the Board informed of new and/or changes in statutory and regulatory requirements;(e) Ensuring all appointments of Directors are properly made and comply with the relevant regulatory requirements; and

	<p>(f) Keeping the Board updated on the latest developments in corporate governance and assisting the Board in the application of best practices to meet its needs and stakeholders' expectations.</p> <p>To ensure the effective performance of their duties, the Company Secretaries have been and will continue to keep themselves updated with the latest regulatory and corporate governance developments through continuous training and industry updates. During FYE 2026, the Company Secretaries have participated in numerous professional development programmes and training sessions organised by professional body for company secretaries such as MAICSA.</p>	
Explanation for departure	:	
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Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>All Board and Board Committees' meetings of the Company are scheduled in advance, ensuring all Directors have ample time to reserve their dates and make necessary arrangements to secure their availability for meetings' attendance. The annual meeting calendar, which includes the schedule for Board and Board Committees' meetings as well as Annual General Meeting ("AGM"), is prepared and circulated to Directors prior to the beginning of calendar year.</p> <p>To facilitate an efficient and timely flow of information, the notices, agendas, minutes of previous meeting and meeting papers containing the relevant reports for each meeting are circulated to the Directors five (5) business days prior to the scheduled meeting. This provides Directors with adequate time for thorough review and thoughtful consideration of agenda items, and when necessary, to obtain additional information from the management to facilitate their decision-making process.</p> <p>In addition, all Board and Board Committees' meetings are conducted separately to promote greater integrity, objectivity and independence in deliberations. The chairperson of the respective Board Committees reports to the Board on the proceedings of their meetings held before the Board meeting, together with the recommendations and/or conclusion arising therefrom.</p> <p>All Directors have full and unrestricted access to information related to the Group's business and affairs, as well as to the advice and services of the Company Secretaries, Internal Auditor and External Auditors. This access is provided to them either as a full Board or in their individual capacity, at the Company's expense, to support the decision-making process. Additionally, the Board may at its discretion, invite Senior Management or external parties to Board meetings as needed to facilitate decisions and ensure the effective discharge of responsibilities.</p> <p>The Company Secretaries record all discussions, deliberations, decisions and conclusions made during the Board and Board Committees' meetings. These records are then reviewed by the Board or Board Committees for completeness and accuracy in a timely manner, and are confirmed at the next meeting. Once confirmed and signed, these</p>

	minutes and resolutions constitute the official record of the meeting proceedings and are kept securely at the Company's registered address.	
Explanation for departure		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure		
Timeframe		

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has established a comprehensive Board Charter that serves as a formal guidance for Directors to effectively discharge their duties and responsibilities. The Board Charter outlines the roles, responsibilities, and operating procedures of the Board, ensuring clarity in authority of the Board, Board Committees and individual Directors.</p> <p>The Board Charter encompasses the following core areas:</p> <ul style="list-style-type: none"> (a) Roles and principal responsibilities of the Board; (b) Board composition and structure; (c) Roles and responsibilities of the Board Chairman, Executive Directors, Non-Executive Directors, Independent Directors and Company Secretaries; (d) Board Committees; (e) Board diversity; (f) Board procedures; (g) Directors' training and continuing education; (h) Appointment, vacation of office and removal of Directors; (i) Conflict of interest and related party transactions; (j) Directors' remuneration; (k) Board and Directors' assessment; (l) Representation, communication channel and investor relations; (m) Code of Conduct and Ethics; and (n) Whistle-blowing. <p>The Board Charter also reserves the following matters for the Board's collective review and approval:</p> <ul style="list-style-type: none"> (a) the Group's strategic plan and annual budget, including the capital expenditure budget; (b) capital expenditure exceeding prescribed thresholds and investments or divestments in any company, business, property or undertaking;

	<p>(c) major changes to the Group's activities and any reorganisation or restructuring of the corporate structure; and</p> <p>(d) the financial statements, corporate announcements, transactions requiring shareholders' approval and the effectiveness of the Group's risk management and internal control systems.</p> <p>The Board Charter was adopted on 18 June 2024. The Board will review the Board Charter regularly and updated as required to ensure that it is up to-date in accordance with the latest applicable legal requirements, as well as to reaffirm its relevance in terms of objectives and responsibilities.</p> <p>The Board Charter is available on the Company's website at www.wawasandengkil.com/investor-relations/corporate-governance.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>To ensure the highest standards of ethics and governance in business, the Board has established the Code of Conduct and Ethics ("the Code"). The Code serves as a guide for Directors and employees at the executive level and above, ensuring they act with the utmost integrity and objectivity while consistently striving to enhance the reputation and performance of the Company.</p> <p>The Code has set out policies and procedures to address the following key areas:</p> <p>Business Conduct</p> <ul style="list-style-type: none">• Dealing with External Parties• Money Laundering• Accepting and Providing Gifts and Other Benefits• Bribery and Corruption <p>Employee Conduct</p> <ul style="list-style-type: none">• Harassment, Threat and Violence• Drugs, Alcohol and Prohibited Substances• Record Keeping and Financial Integrity• Protection of the Company's Assets• Outside Directorship and Other Outside Activities• Avoid Conflict of Interest• Confidentiality• Insider Trading Policy• Families and Relatives of Employees <p>The Code is available on the Company's website at www.wawasandengkil.com/investor-relations/corporate-governance.</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 Group has adopted an Anti-Fraud and Whistleblowing Policy which provides a framework for the prevention, deterrence, detection and investigation of fraud and other improper conduct, thereby reinforcing the Group's commitment to integrity, transparency and accountability. For the purposes of this policy, fraud is defined as any act of deception or dishonesty undertaken with the intention of seeking personal gain, circumventing obligations or causing losses, including but not limited to fraudulent expense claims, kickbacks, bribery, fictitious suppliers, embezzlement of the Group's assets, falsification of financial statements, conflicts of interest, payroll or cheque fraud, and occupational fraud. The policy also requires an annual fraud risk assessment to be carried out by the Board, the implementation of adequate internal controls and awareness training, and sets out procedures for the confidential reporting, handling and investigation of suspected fraud, subject to the Board's approval.</p> <p>This policy also sets out a structured whistleblowing framework, providing clear guidelines and secured channels for all employees, stakeholders and members of the public to raise genuine concerns about possible improprieties in matters of financial reporting, compliance and other malpractices at the earliest opportunity without fear of repercussions. It ensures whistleblowers are protected from retaliation, and outlines processes for reporting, investigation and resolution, including safeguards against false or malicious disclosures.</p> <p>Any stakeholder who reasonably and in good faith believes that malpractices exist in the Group, he/she is advised to report this malpractice or misconduct immediately by submitting written reports in sealed envelopes marked "In Strictly Confidential" and deliver to the ARMC or the Board. Alternatively, the report can be emailed to the Whistleblowing Committee and the Board at whistleblowing@wawasandengkil.com or by direct telephone call at +603-8768 6457 (Ext No.: 212).</p> <p>The identity and personal information of the whistleblower will be protected and kept confidential unless the whistleblower provides consent, or disclosure required by law.</p>

	<p>The Anti-Fraud and Whistleblowing Policy is accessible on the Company's website at www.wawasandengkil.com/investor-relations/corporate-governance.</p> <p>During FYE 2026, the Group has not received any whistleblower reports concerning breaches of the Company's policies or applicable laws.</p>	
Explanation for departure	:	
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Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises that effective management of sustainability risks and opportunities is integral to the Group's long-term strategy and sustainable value creation. The Board, together with Management, assumes responsibility for the governance of sustainability across the Group, including setting and overseeing the Group's sustainability strategies, priorities and targets.</p> <p>In discharging its responsibilities, the Board takes into consideration material sustainability matters when deliberating and making decisions on the Group's strategies, business plans, major plans of action and risk management. This enables sustainability risks and opportunities to be considered as part of the Group's overall strategic planning and decision-making processes.</p> <p>The Board is supported by the ARMC, senior management and the Sustainability Working Committee ("SWC") in overseeing and managing the Group's sustainability matters. The ARMC assists the Board in providing oversight of the Group's sustainability framework, including the management of material sustainability risks and opportunities and the implementation of the Group's sustainability strategies.</p> <p>Senior management drives the strategic management of the Group's material sustainability matters and is responsible for integrating the sustainability strategies, priorities and targets approved by the Board into the Group's business strategies and operations. Senior management also provides direction to the SWC and oversees the implementation and performance of the Group's sustainability initiatives.</p> <p>The SWC, led by Mr. Lim Soon Yik and supported by the senior management in the implementation of the Group's sustainability strategies and initiatives. Its responsibilities include coordinating</p>

	<p>sustainability initiatives across the Group, monitoring progress against the sustainability priorities and targets, facilitating the assessment of material sustainability matters, and reporting the Group's sustainability performance and progress to senior management and the ARMC.</p> <p>The Group undertakes materiality assessments to identify and prioritise sustainability matters that are significant to the Group and its stakeholders. The material sustainability risks and opportunities identified through this process are taken into consideration in formulating and reviewing the Group's sustainability strategies and initiatives across the economic, environmental, social and governance ("EESG") dimensions.</p> <p>The Board, through the ARMC, receives updates on the Group's material sustainability matters and monitors the implementation and progress of the Group's sustainability strategies, priorities and targets. This governance structure facilitates appropriate oversight by the Board while ensuring that the strategic management of material sustainability matters is driven by senior management and supported by the SWC.</p> <p>Further details of the Group's sustainability governance framework, material sustainability matters, strategies, initiatives and performance are set out in the Sustainability Statement in the Company's Annual Report 2026.</p>
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Intended Outcome

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

Practice 4.2

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises that effective and regular engagement with the Group's internal and external stakeholders is important in identifying and understanding sustainability matters that are material to the Group and its stakeholders. Such engagement enables the Group to obtain insights into stakeholders' needs, expectations and concerns and provides an important input into the formulation and review of the Group's sustainability strategies, priorities and targets.</p> <p>The Group engages with its key stakeholder groups through various engagement channels appropriate to the nature of its relationship with each stakeholder group. Feedback and matters arising from these engagements are considered as part of the Group's materiality assessment process to identify and prioritise material EESG matters that may affect the Group's business operations, long-term sustainability and value creation.</p> <p>The Board, supported by the ARMC and Management, is kept informed of the Group's material sustainability matters, including relevant stakeholder concerns and expectations. This enables the Board to understand and consider sustainability matters that are material to the Group and its stakeholders when overseeing the Group's sustainability strategies, priorities and targets and in its strategic planning and decision-making processes.</p> <p>The Group also communicates its sustainability approach, material sustainability matters, strategies, targets, initiatives and performance to its stakeholders through the Sustainability Statement contained in the Company's Annual Report 2026. The Sustainability Statement provides information on the Group's sustainability governance structure, stakeholder engagement and materiality assessment processes, as well as the manner in which material EESG considerations are incorporated into the Group's business strategies and operations.</p> <p>The Group's sustainability approach takes into consideration relevant internationally recognised frameworks and principles, including the United Nations Sustainable Development Goals ("UNSDGs"), where applicable and relevant to the Group's material sustainability matters.</p>

	Further details of the Group's stakeholder engagement activities, materiality assessment, material sustainability matters, strategies, targets, performance and progress are set out in the Sustainability Statement in the Company's Annual Report 2026.			
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Intended Outcome

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

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the importance of keeping abreast of sustainability matters relevant to the Group, including climate-related risks and opportunities. During FYE 2026, Ms. Gladys attended a number of sustainability- and climate-related programmes, including the Climate Governance Malaysia Global Summit 2025, Malaysia Carbon Market Forum 2025, Climate Conference for SMEs 2025 and a forum on battery energy storage systems. She also attended programmes on renewable energy policy, solar markets and sustainable energy.</p> <p>Sustainability matters also formed part of the Board's meeting agenda. During FYE 2026, the ARMC reviewed the Group's Sustainability and Risk Report for the six-month period ended 31 December 2025, including the Group's sustainability governance. The ARMC also reviewed the Group's readiness for ISSB-aligned reporting under IFRS S1 and IFRS S2, including governance responsibilities, reporting boundaries, Scope 1 and Scope 2 greenhouse gas emissions baselines, targets, key performance indicators and future assurance requirements.</p> <p>Other than attending formal training programmes, the Directors keep themselves abreast with the sustainability issues relevant to the Group through the presentation of updates, news, publications from relevant agencies, engagement with external consultants and business associates, structured reading and/or deliberation during the Board meetings.</p>
Explanation for departure	:	
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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	:	On 27 August 2026, the Board, through the NC, conducted a performance evaluation to review the overall effectiveness of the Board and Senior Management in addressing the Group’s material sustainability matters. The assessment covered several areas, particularly their ability to support the Board in addressing material sustainability risks and opportunities, the training attended by the Directors and Senior Management to stay abreast of market developments and regulatory updates, as well as their forward-looking perspectives and strategic planning.	
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 4.5- Step Up

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

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NC reviews the Board's size, composition and balance, including the tenure of each Director, and considers the skills, experience, diversity and independence needed to support the Group's current and future strategic needs. The NC also conducts an annual evaluation of the Board, its Committees and individual Directors.</p> <p>By conducting the annual performance evaluation, the NC gains insights into the Board's needs, including the necessity for new skills and perspectives, identifying competency gaps, assessing diversity requirements, evaluating tenure length and ensuring each Director's commitment aligns with the Company's strategic direction. The Board, through the NC, has reviewed and expressed satisfaction with current Board mix and composition for the FYE 2026.</p> <p>Guided by the Directors' Fit and Proper Policy adopted by the Company, the NC evaluates the retiring Directors who are seeking for re-election based on prescribed criteria, including character, integrity, experience, competence and time commitment. The said policy is available on the Company's website at www.wawasandengkil.com/investor-relations/corporate-governance. Upon the recommendation of the NC, the Board also assessed any conflict of interest or potential conflict of interest declared by the retiring Directors before recommending to the shareholders for approval.</p> <p>In accordance with Clause 84.1 of the Company's Constitution, one-third of the Directors retire by rotation at each annual general meeting and are eligible for re-election. Under Clause 91, a Director appointed between annual general meetings holds office until the next annual general meeting and is then eligible for re-election. At the forthcoming Fourth AGM, Ms. Koay Lay Ling ("Ms. Koay") is due to retire by rotation under Clause 84.1, while Mr. Lee, appointed as the Independent Non-Executive Chairman on 5 June 2026, is due to retire under Clause 91. Both Directors have consented to stand for re-election and submitted their Fit and Proper and conflict of interest declarations.</p> <p>The NC reviewed the retiring Directors' performance and contributions, taking into account their fitness and propriety, contribution to Board discussions, knowledge and calibre, quality of input, understanding of</p>

	<p>their roles and any conflicts of interest. Having been satisfied with their contributions, diligence and commitment to their fiduciary duties, the NC resolved to recommend their re-election to the Board for further recommendation to shareholders for approval at the forthcoming Fourth AGM.</p> <p>In addition, Mr. Ow Chen Lun, who was appointed to the Board to fill a casual vacancy on 13 October 2026, is due to retire at the forthcoming Fourth AGM pursuant to Clause 91 of the Company's Constitution and is eligible for re-election. By way of a Directors' Circular Resolution, the Board has recommended that shareholders re-elect Mr. Ow Chen Lun at the Fourth AGM.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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	:	<p>Currently, the Board consists of six (6) Board members, of which four (4) of them are Independent Non-Executive Directors (“INED”) including the Board Chairman, as follows:</p> <ul style="list-style-type: none">(i) Mr. Lee Cong Quan (<i>Appointed on 5 June 2026</i>);(ii) Mr. Lim Soon Yik;(iii) Mr. Lim Kok Seng;(iv) Ms. Koay Lay Ling;(v) Ms. Gladys Mak Sow Lin; and(vi) Mr. Ow Chen Lun (<i>Appointed on 13 October 2026</i>). <p>The current Board composition as at 20 October 2026 fulfils the prescribed requirement of one-third (1/3) of the Board to be independent as stated under Rule 15.02 of the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). In fact, the Board comprises a majority of INEDs, ensuring objective and independent deliberation, review and decision-making at the Board, thereby better safeguarding the interests of shareholders and other stakeholders while ensuring that high standards of conduct and integrity are upheld.</p> <p>The NC conducts an annual review of the independence of INEDs based on the criteria outlined in the AMLR and its Guidance Note. This assessment ensures that they remain independent, exercise objective judgement and act in the best interests of the Company, the Group, shareholders and other stakeholders. The evaluation also helps identify any potential conflicts of interest that could compromise their independence and decision-making.</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	:		
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Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied																							
Explanation on application of the practice	:	As at 20 October 2026, none of the INEDs have served the Company for a cumulative term exceeding nine (9) years. The tenure of each INED is as follows:																							
		<table><tr><th>Directors</th><th>Appointment Date</th><th>< 1 Year</th><th>1-3 Years</th></tr><tr><td>Ms. Koay Lay Ling</td><td>15 April 2024</td><td></td><td>✓</td></tr><tr><td>Ms. Gladys Mak Sow Lin</td><td>30 July 2025</td><td></td><td>✓</td></tr><tr><td>Mr. Lee Cong Quan</td><td>5 June 2026</td><td>✓</td><td></td></tr><tr><td>Mr. Ow Chen Lun</td><td>13 October 2026</td><td>✓</td><td></td></tr></table>				Directors	Appointment Date	< 1 Year	1-3 Years	Ms. Koay Lay Ling	15 April 2024		✓	Ms. Gladys Mak Sow Lin	30 July 2025		✓	Mr. Lee Cong Quan	5 June 2026	✓		Mr. Ow Chen Lun	13 October 2026	✓	
		Directors	Appointment Date	< 1 Year	1-3 Years																				
		Ms. Koay Lay Ling	15 April 2024		✓																				
		Ms. Gladys Mak Sow Lin	30 July 2025		✓																				
		Mr. Lee Cong Quan	5 June 2026	✓																					
		Mr. Ow Chen Lun	13 October 2026	✓																					
The NC reviewed the length of service of each INED. Based on the independence assessments and declarations completed by the current INEDs, the NC noted that each of them met the independence criteria prescribed under the AMLR.																									
It is stipulated in the Board Charter that the tenure of an INED shall not exceed a cumulative term of nine (9) years. Upon reaching this tenure limit, the INED may continue to serve on the Board after being re-designated as a Non-Independent Director.																									
In the event that the Board wishes to retain an INED as an independent director beyond nine (9) years, the Board must provide justification and seek annual shareholders’ approval through a two-tier voting process at the AGM. Prior to this, it is the NC’s responsibility to evaluate and recommend to the Board the continuance of the INED who has served on the Board beyond the tenure limit.																									
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	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges the advantages of maintaining a diverse Board comprising individuals with a wide range of skills, knowledge, cultural backgrounds, gender, and experience. Such diversity enriches deliberations, enhances decision-making, and contributes positively to the sustainable growth and long-term success of the Group.</p> <p>In FYE 2026, the Board continued to apply the Directors' Fit and Proper Policy to guide the NC in evaluating appointments and re-elections of Directors. Appointments of Directors and Senior Management are based on the fit and proper criteria set by the NC, which include integrity, competence, character, commitment, and relevant experience. Both the NC and the Board remain committed to the Group's formal and transparent selection and appointment process, which ensures candidates are thoroughly evaluated based on diverse backgrounds and professional capabilities aligned with the Company's strategic direction.</p> <p>The NC continues to take the lead in the nomination process for new appointments by evaluating candidates against specific criteria such as core competency, character, time commitment, experience, and the ability to contribute effectively to Board deliberations. This approach ensures that the Board has the appropriate balance of skills, expertise, and perspectives, including gender diversity. The appointment and re-election of Directors, as well as the consideration of Board diversity, are carried out in accordance with the Board Charter, the NC TOR, and the Directors' Fit and Proper Policy, all of which are published on the Company's website at https://www.wawasandengkil.com/investor-relations/corporate-governance.</p> <p>During FYE 2026, Mr. Thien resigned from the Board on 5 February 2026, and Mr. Lee was appointed as an Independent Non-Executive Chairman on 5 June 2026.</p>

	Board Diversity 2026																																			
	As at 30 June 2026, the Board comprised the following members:																																			
	<table><tr><th>No</th><th>Name</th><th>Date of appointment/ (resignation)</th><th>Gender</th><th>Age</th></tr><tr><td>1</td><td>Mr. Lee Cong Quan</td><td>5 June 2026</td><td>Male</td><td>38</td></tr><tr><td>2</td><td>Mr. Lim Soon Yik</td><td>13 April 2022</td><td>Male</td><td>33</td></tr><tr><td>3</td><td>Mr. Lim Kok Seng</td><td>13 April 2022</td><td>Male</td><td>54</td></tr><tr><td>4</td><td>Ms. Koay Lay Ling</td><td>15 April 2024</td><td>Female</td><td>45</td></tr><tr><td>5</td><td>Mohamad Anuar Bin Mohamad Isa</td><td>15 April 2024 (resigned 31 July 2026)</td><td>Male</td><td>67</td></tr><tr><td>6</td><td>Ms. Gladys Mak Sow Lin</td><td>30 July 2025</td><td>Female</td><td>50</td></tr></table>	No	Name	Date of appointment/ (resignation)	Gender	Age	1	Mr. Lee Cong Quan	5 June 2026	Male	38	2	Mr. Lim Soon Yik	13 April 2022	Male	33	3	Mr. Lim Kok Seng	13 April 2022	Male	54	4	Ms. Koay Lay Ling	15 April 2024	Female	45	5	Mohamad Anuar Bin Mohamad Isa	15 April 2024 (resigned 31 July 2026)	Male	67	6	Ms. Gladys Mak Sow Lin	30 July 2025	Female	50
	No	Name	Date of appointment/ (resignation)	Gender	Age																															
	1	Mr. Lee Cong Quan	5 June 2026	Male	38																															
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	3	Mr. Lim Kok Seng	13 April 2022	Male	54																															
	4	Ms. Koay Lay Ling	15 April 2024	Female	45																															
	5	Mohamad Anuar Bin Mohamad Isa	15 April 2024 (resigned 31 July 2026)	Male	67																															
	6	Ms. Gladys Mak Sow Lin	30 July 2025	Female	50																															
<p>The Board’s composition includes two (2) female Directors, representing 33.3% of the Board, and four (4) Independent Non-Executive Directors, who comprise a majority of the Board. The Board also reflects a mix of professional backgrounds, ages and experience relevant to the Group’s business. This composition supports objective deliberations and effective oversight.</p>																																				
<p>Further details on the Directors’ qualifications, experience and other relevant information are provided in the Profile of the Board of Directors section of this Annual Report.</p>																																				
<p>In addition, during FYE 2026, the NC reviewed the time commitment of all Directors in discharging their duties and was satisfied that they had devoted sufficient time and attention to their responsibilities. The attendance records showed that En. Mohamad Anuar Bin Mohamad Isa was absent from one Board meeting and one ARMC meeting due to ill health. No Board meeting was held between Mr. Lee Cong Quan’s appointment and the end of FYE 2026. The NC also noted that no Director held more than five (5) directorships in listed companies, in accordance with Rule 15.06 of the AMLR.</p>																																				
<p>Subsequent to FYE 2026, Mr. Ow Chen Lun was appointed as an Independent Non-Executive Director on 13 October 2026 to fill the casual vacancy following En. Mohamad Anuar Bin Mohamad Isa’s resignation on 31 July 2026.</p>																																				
<div>Explanation for departure :</div> <div></div>																																				

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	:	<p>The NC is responsible for the screening and recruitment process for new Directors. In discharging its duties, the NC undertakes a formal and transparent evaluation to assess the suitability and qualifications of potential candidates before recommending them to the Board for appointment.</p> <p>In evaluating potential candidates, the NC considers, among other factors:</p> <ul style="list-style-type: none">(a) the balance of skills, functional knowledge and expertise required on the Board;(b) relevant experience and industry insight;(c) character, integrity and independence of judgement;(d) time commitment and ability to contribute effectively to Board deliberations;(e) the Fit and Proper criteria set out in the Company's Fit and Proper Policy, including probity, competence, diligence, honesty, financial integrity and reputation; and(f) any actual or potential conflicts of interest. Candidates are required to declare any direct or indirect interests in the Company or its major shareholders and to comply with the Company's Conflict of Interest Policy, including abstaining from deliberations or decision-making where a conflict exists or may reasonably be perceived to exist. <p>In identifying candidates to fill Board vacancies, the NC and the Board utilise independent sources, in addition to referrals from existing Directors, Management and/or substantial shareholders, to ensure that a broad pool of suitably qualified candidates is considered. Where a candidate is identified solely through an internal recommendation, the</p>

		<p>NC provides its reasons for considering that source sufficient and explains why independent sources were not used.</p> <p>For FYE 2026, Mr. Lee Cong Quan was appointed as the Independent Non-Executive Chairman on 5 June 2026. No recommendation from an existing Director, Management or substantial shareholder was made in connection with his appointment.</p>		
Explanation for departure	:			
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>				
Measure	:			
Timeframe	:	<table border="1"> <tr> <td></td><td></td></tr> </table>		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>In accordance with Clause 84.1 of the Company's Constitution, Ms. Koay Lay Ling retires by rotation and, being eligible, has offered herself for re-election at the forthcoming Fourth AGM.</p> <p>Mr. Lee, who was appointed to the Board on 5 June 2026, retires pursuant to Clause 91 of the Company's Constitution and, being eligible, has offered himself for re-election at the forthcoming Fourth AGM.</p> <p>Pursuant to Clause 91 of the Company's Constitution, Mr. Ow Chen Lun ("Mr. Ow"), who was appointed to the Board on 13 October 2026 to fill a casual vacancy, is due to retire at the forthcoming Fourth AGM and is eligible for re-election.</p> <p>The details and profiles of Ms. Koay, Mr. Lee and Mr. Ow, including their age, gender, tenure of service, other directorships, qualifications and working experience, are set out in the Profile of the Board of Directors section of the Annual Report 2026. Their respective interests in the securities of the Company, if any, are also disclosed therein. The profiles and re-election matters will be made available to shareholders in connection with the Fourth AGM, and each Director's re-election will be voted on individually.</p> <p>The NC assessed Ms. Koay's performance and contribution based on the results of the Board Effectiveness Evaluation, taking into consideration her fit and proper assessment, contribution to Board interaction, knowledge and calibre, quality of input, understanding of her role and any conflict of interest. The NC and the Board were satisfied that Ms. Koay's possesses the character, experience, integrity, competence and time commitment required to discharge her duties effectively and meets the criteria under the Company's Directors' Fit and Proper Policy.</p> <p>Given the short period since Mr. Lee's appointment, a full individual performance evaluation has not been undertaken. Nevertheless, the NC and the Board reviewed his qualifications, experience, independence and professional background and were satisfied that he has</p>

	<p>demonstrated the competence and commitment required to contribute effectively to the Board.</p> <p>As for Mr. Ow, he was appointed on 13 October 2026, after completion of the FYE 2026 evaluation, and was therefore not included in that evaluation.</p> <p>Upon NC's recommendation, the Board supports the re-election of Ms. Koay, Mr. Lee and Mr. Ow. The aforesaid Directors have no conflict of interest or potential conflict of interest with the Company. Each Director abstained from the deliberations and decisions concerning his or her own re-election.</p> <p>The Board's statement supporting the re-election of Ms. Koay, Mr. Lee and Mr. Ow together with the reasons for its support, is set out in the Statement Accompanying the Notice of the Fourth AGM for shareholders' consideration.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NC is chaired by Ms. Gladys, an INED of the Company. The profile of Ms. Gladys is disclosed in the Directors' Profile section of this Annual Report 2026.</p> <p>As at 30 June 2026, the NC is composed exclusively of INEDs, thereby reinforcing the Board's commitment to strong corporate governance practices and ensuring independence and objectivity in the nomination process.</p> <p>The NC Chairperson leads the Committee in carrying out its responsibilities, which include:</p> <ul style="list-style-type: none">(i) Overseeing succession planning and the appointment of Board members;(ii) Reviewing the composition of the Board and Board Committees to ensure alignment with strategic needs;(iii) Conducting the annual review of the effectiveness of the Board as a whole, its committees and individual Directors;(iv) Reviewing and assessing the independence of Independent Directors;(v) Reviewing and recommending the re-election of retiring Directors; and(vi) Reviewing and monitoring the training and professional development of all Directors. <p>The Board is satisfied that the NC, under the leadership of its INED Chairperson, has discharged its duties effectively during the financial year under review.</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is committed to promoting gender diversity. In selecting Board members, it provides equal opportunities to all candidates who meet the specified criteria, including relevant experience, knowledge, competence and other qualities relevant to the Group's current business portfolios and potential investments.</p> <p>Throughout FYE 2026, the Board comprised two (2) female Directors and represented 33.3% of the six (6)-member Board, exceeding the 30% benchmark recommended under the best practices of the MCGG. Following En. Mohamad Anuar Bin Mohamad Isa's resignation on 31 July 2026, the Board comprised five (5) Directors, of whom two (2) were women, representing 40% of the Board.</p> <p>Following Mr. Ow Chen Lun's appointment on 13 October 2026, two (2) of the six (6) Directors were women, representing 33.3% of the Board as at the date of this report.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.10

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

Application	:	Applied
Explanation on application of the practice	:	<p>In promoting women's participation on the Board and within Key Senior Management of the Group, the Company has incorporated the gender diversity policy for the Board and Key Senior Management in its Board Charter and the TOR of the NC. It is stated in both the Board Charter and the TOR of the NC that at least 30% of the Board shall comprise women Directors.</p> <p>As of 30 June 2026, the current Board has achieved 33.33% representation of women Directors, exceeding the recommended minimum of 30% female Directors as advised by the MCCG. The Company also demonstrates its support for gender diversity by having two (2) women holding Key Senior Management position, representing 50.0% of the total.</p> <p>Nonetheless, gender is not considered a prerequisite for directorships or managerial positions within the Company or the Group. Instead, appointments are made based on objective criteria and merit to ensure the selection of the most qualified candidates, regardless of gender.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	<p>On 27 August 2026, the NC reviewed the results of the formal annual evaluation conducted for FYE 2026. The evaluation covered the effectiveness of the Board and its Board Committees, as well as the contributions of individual Directors, including the Board Chairman. The Company Secretaries facilitated the process using annual assessment forms. Individual Directors were assessed through self and peer evaluations, and the NC consolidated and reviewed the results before presenting its findings and recommendations to the Board.</p> <p>In conducting the annual assessments, the NC had assessed the performance of the Board as a whole, and the Board Committees based on the following criteria:</p> <ul style="list-style-type: none">(i) Board composition reflecting diversity in skills, experience, gender, and age;(ii) Board Committee composition that enables them to operate within clearly defined TOR; and(iii) Effectiveness of the Board covering the decision-making process, meeting effectiveness and Directors' engagement/participation. <p>Additionally, the Board also assesses the independence of INED to ensure that they are free from any business or other relationships that could materially compromise their independent judgement or ability to act in the best interest of the Group.</p> <p>Based on the outcome of the assessments conducted for FYE 2026, the Board is satisfied that:</p> <ul style="list-style-type: none">(a) Given the scope, size and complexity of the Group's operations, the current composition of the Board and Board Committees is well-balanced. The Board comprises members with diverse professional backgrounds and qualifications, as well as sufficient

	<p>number of INEDs to ensure impartiality and provide constructive challenge to executive decisions.</p> <p>(b) The Board Committees continue to operate within their clearly defined TOR, with their respective Chairpersons demonstrating the ability to facilitate effective discussions, ensure compliance and maintain accountability.</p> <p>(c) All INEDs remain independent from the Management and are free from any business relationship that could materially compromise their independent judgement in the Board discussion or decision making.</p> <p>The Board's strengths include its diverse industry backgrounds, alignment of skills with the Company's objectives in construction, infrastructure, governance and sustainable growth, as well as the commitment, integrity and leadership of its Directors. The experience of INEDs who also serve on other listed companies was recognised as an added strength, enhancing the depth and quality of Board deliberations.</p> <p>Notwithstanding the above, the NC identified areas for improvement, including: -</p> <ul style="list-style-type: none"> • Succession planning for Directors and Key Senior Management, and the tracking and assessment of sustainability-related risks and opportunities. • Timeliness and quality of Board papers, meeting efficiency, follow-up monitoring and sustainability reporting readiness. • To enhance and formally document the succession planning framework, identify potential successors for critical positions, assess their readiness and report progress periodically. • Training needs of Directors be reviewed, including training on sustainability and relevant regulatory and market developments. 		
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 :	<table border="1" data-bbox="544 1783 1418 1872"> <tr> <td data-bbox="544 1783 962 1872"></td> <td data-bbox="962 1783 1418 1872"></td> </tr> </table>		

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board, through the RC, has established a formal and transparent Remuneration Policy which outlines the objective and procedures in determining the remuneration packages of Directors and Key Senior Management personnel of the Company. The primary objective is to attract, motivate and retain talents of high calibre of the Group for driving the Company's long term business strategies and enhancing shareholders' value.</p> <p>The Remuneration Policy is available on the Company's website at www.wawasandengkil.com/investor-relations/corporate-governance. The RC will also periodically review the Remuneration Policy or as needed to ensure its continued relevance and effectiveness in line with the latest business and regulatory development.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied												
Explanation on application of the practice	:	<p>During FYE 2026, the RC comprised solely of INEDs, as follows:</p> <table><tr><th>Designation</th><th>Director</th><th>Directorship</th></tr><tr><td>Chairman</td><td>Mohamad Anuar Bin Mohamad Isa (resigned on 31 July 2026)</td><td>INED</td></tr><tr><td>Member</td><td>Koay Lay Ling</td><td>INED</td></tr><tr><td>Member</td><td>Gladys Mak Sow Lin</td><td>INED</td></tr></table> <p>Following FYE 2026, En. Mohamad Anuar Bin Mohamad Isa resigned from the Board and ceased to be Chairman of the RC on 31 July 2026. Following his resignation, the RC comprised Ms. Koay Lay Ling and Ms. Gladys Mak Sow Lin, both INEDs. The RC's TOR requires at least three members and provides that the Board must appoint sufficient additional members within three months if a resignation reduces the RC below that minimum.</p> <p>On 13 October 2026, Mr. Ow Chen Lun was appointed as Chairman of the RC. Following his appointment, the RC comprises three (3) members, all of whom were INEDs.</p> <p>The duties and responsibilities of the RC as stated in its TOR, amongst others, are as follows:</p> <p>(a) To establish and implement a fair and transparent remuneration policy and procedure, including the fee structure and level of remuneration for Directors and Senior Management, taking into account the demands, complexities and performance of the Company in managing material sustainability risks and opportunities as well as skills and experience required, ensuring it is aligned with the business strategy and long-term objectives of the Company;</p>	Designation	Director	Directorship	Chairman	Mohamad Anuar Bin Mohamad Isa (resigned on 31 July 2026)	INED	Member	Koay Lay Ling	INED	Member	Gladys Mak Sow Lin	INED
Designation	Director	Directorship												
Chairman	Mohamad Anuar Bin Mohamad Isa (resigned on 31 July 2026)	INED												
Member	Koay Lay Ling	INED												
Member	Gladys Mak Sow Lin	INED												

	<p>(b) To review and recommend to the Board on the remuneration packages of the Directors and Senior Management, by taking into account the level of expertise, commitment and responsibilities undertaken, with reference to the Company's remuneration policy and procedure; and</p> <p>(c) To ensure the fee and other benefits for the INEDs do not conflict with their obligation to bring objectivity and independent judgment on matters discussed at Board meetings.</p> <p>The TOR of the RC is available on the Company's website at www.wawasandengkil.com/investor-relations/corporate-governance.</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 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The details of the Directors' remuneration for the FYE 2026, on named basis, with remuneration breakdown is shown 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	Thien Chiet Chai (Resigned wef 5 February 2026)	Independent Director	35	3	-	-	-	-	38	35	3	-	-	-	-	38
2	Lim Soon Yik	Executive Director	-	-	-	-	-	-	-	-	-	180.0	14.0	-	24.2	218.72
3	Lim Kok Seng	Executive Director	-	-	-	-	-	-	-	-	-	336.0	20.0	-	264	620
4	Datuk Ir. Chow Pui Hee (Resigned wef 30 July 2025)	Independent Director	3.5	1.5	-	-	-	-	5	3.5	1.5	-	-	-	-	5
4	Koay Lay Ling	Independent Director	42	3.5	-	-	-	-	45.5	42	3.5	-	-	-	-	45.5
5	Mohamad Anuar Bin Mohamad Isa (Resigned wef 31 July 2026)	Independent Director	42	3.5	-	-	-	-	45.5	42	3.5	-	-	-	-	45.5
6	Gladys Mak Sow Lin	Independent Director	38.5	2	-	-	-	-	40.5	38.5	2	-	-	-	-	40.5
7	Lee Cong Quan (Appointed wef 5 June 2026)	Independent Director	5	-	-	-	-	-	5	5	-	-	-	-	-	5

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	:	Due to the confidentiality and sensitivity of remuneration details, the Board is of the opinion that disclosing the remuneration of Senior Management on a named basis would not be in the Company’s best interest, given the competitive environment that may give rise to recruitment and talent retention challenges.								
		In view thereof, the Board opted to disclose the remuneration of top five (5) Senior Management (who are not Directors of the Company) for the FYE 2026 in bands of RM50,000 on unnamed basis as below:								
		<table><tr><th>Range of Remuneration</th><th>Number of Senior Management</th></tr><tr><td>RM150,000 to RM200,000</td><td>3</td></tr><tr><td>RM250,000 to RM300,000</td><td>1</td></tr><tr><td>RM500,000 to RM550,000</td><td>1</td></tr></table>	Range of Remuneration	Number of Senior Management	RM150,000 to RM200,000	3	RM250,000 to RM300,000	1	RM500,000 to RM550,000	1
Range of Remuneration	Number of Senior Management									
RM150,000 to RM200,000	3									
RM250,000 to RM300,000	1									
RM500,000 to RM550,000	1									
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.										
Measure	:									
Timeframe	:									

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.

The company's financial statement is a reliable source of information.

Practice 9.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>To reinforce objectivity and independence in the Board's oversight of the ARMC's findings and recommendations, the positions of Board Chairman and ARMC Chairperson are held by different individuals.</p> <p>During FYE 2026, Ms. Koay, an INED, chaired the ARMC. Mr. Thien, also an INED, served as Board Chairman until his resignation on 5 February 2026. During the interim period, Ms. Gladys chaired meetings of the Board until Mr. Lee, an INED, was appointed Board Chairman on 5 June 2026. Ms. Koay did not serve as Board Chairman during this period, and the two positions remained separate.</p> <p>As at the date of this report, Mr. Lee serves as Board Chairman and Ms. Koay continues to chair the ARMC. The separation of these positions, together with the duties and responsibilities of the ARMC and its Chairperson, is set out in the ARMC TOR, available on the Company's website at www.wawasandengkil.com/investor-relations/corporate-governance.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>In an attempt to uphold high level of financial integrity, the TOR of the ARMC requires a cooling-off period of at least three (3) years before appointing any former key audit partner of the Company’s external audit firm as a member of the ARMC. This measure serves to safeguard the independence and objectivity of the ARMC.</p> <p>The TOR of the ARMC is accessible on the Company’s website at www.wawasandengkil.com/investor-relations/corporate-governance.</p> <p>At present, none of the ARMC members are former audit partners of the Company’s external audit firm, and the Board does not foresee any new appointment of former audit partner to the ARMC in the near future.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The ARMC, guided by its TOR, is responsible for evaluating the suitability, objectivity and independence of the External Auditors on an annual basis.</p> <p>In this regard, the ARMC, had on 27 August 2026, conducted an assessment of the External Auditors, taking into consideration the following key factors:</p> <ul style="list-style-type: none">(i) the independence of the external audit firm;(ii) the adequacy, suitability, competency, experience and overall quality of the External Auditors;(iii) the External Auditors' capacity and resources, along with their ability to meet deadlines and address issues promptly, as outlined in the audit planning memorandum; and(iv) the nature and extent of the non-audit services provided by the External Auditors and the associated fees for such services. <p>Based on the aforesaid assessment of the External Auditors conducted by the ARMC in relation to both audit and non-audit services rendered for FYE 2026, the ARMC was satisfied with their suitably and overall performance, and recommended to the Board the re-appointment of Messrs. Ecovis Malaysia PLT as External Auditor of the Company. The Board had in turn, recommended the same for shareholders' approval at the forthcoming 4th AGM of the Company.</p> <p>Additionally, the External Auditors assured the Board of their independence throughout the conduct of the audit engagement for FYE 2026 in accordance with the independence criteria set out by the Malaysian Institute of Accountants ("MIA").</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted												
Explanation on adoption of the practice	:	<p>The ARMC comprises solely of INEDs as follows:</p> <table><tr><th>Designation</th><th>Name</th><th>Directorship</th></tr><tr><td>Chairperson</td><td>Koay Lay Ling</td><td>INED</td></tr><tr><td>Member</td><td>Mohamad Anuar Bin Mohamad Isa (resigned on 31 July 2026)</td><td>INED</td></tr><tr><td>Member</td><td>Gladys Mak Sow Lin</td><td>INED</td></tr></table> <p>Subsequent to FYE 2026, En. Mohamad Anuar Bin Mohamad Isa resigned from the Board and the ARMC on 31 July 2026.</p> <p>On 13 October 2026, Mr. Ow Chen Lun was appointed as an INED and a member of the ARMC. Following his appointment, the ARMC comprises three (3) members, all of whom were INEDs.</p>	Designation	Name	Directorship	Chairperson	Koay Lay Ling	INED	Member	Mohamad Anuar Bin Mohamad Isa (resigned on 31 July 2026)	INED	Member	Gladys Mak Sow Lin	INED
Designation	Name	Directorship												
Chairperson	Koay Lay Ling	INED												
Member	Mohamad Anuar Bin Mohamad Isa (resigned on 31 July 2026)	INED												
Member	Gladys Mak Sow Lin	INED												

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>ARMC is mainly responsible for overseeing the Group's accounting, audit, internal controls and risk management functions. All members of the ARMC should be financially literate and possess the required expertise and knowledge to carry out their tasks and obligations effectively.</p> <p>Our ARMC Chairperson, Ms. Koay, possesses the requisite professional qualification in leading the ARMC through her membership with MIA and has 16 years of experience in the accounting and finance field. The qualifications and experience of each ARMC member are disclosed in the Profile of Board of Directors section in the Annual Report 2026.</p> <p>Although only one-third ($\frac{1}{3}$) of the ARMC is affiliated with professional accounting body, all ARMC members are financially literate with their continuous developments in accounting and auditing standards, practices and rules from on-going trainings and updates by the Management and External Auditors.</p> <p>The training programmes attended by the ARMC members during FYE 2026 are disclosed in the Corporate Governance Overview Statement in the Annual Report 2026.</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	:		
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Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board, with the support of the ARMC, is responsible for overseeing the Group's risk management and internal control framework and ensuring that it remains robust and effective. The framework is designed to safeguard shareholders' investments, stakeholders' interests and the Group's assets.</p> <p>The Board has adopted an Enterprise Risk Management ("ERM") Framework, which provides a structured approach to identifying, assessing, responding to, monitoring and reporting potential risks and control weaknesses that may affect the Group's ability to achieve its strategic objectives. Given the inherent limitations of any risk management and internal control framework, it can provide reasonable, but not absolute, assurance that risks are managed within acceptable tolerance levels.</p> <p>The Board has entrusted the ARMC with reviewing the adequacy and effectiveness of the Group's risk management and internal control system. In carrying out this responsibility, the ARMC:</p> <ul style="list-style-type: none">(a) reviewing significant risks identified by the Senior Management and evaluating the effectiveness of mitigation plans;(b) deliberating on risk mitigation strategies and ensuring that appropriate control measures are in place; and(c) assessing the overall risk landscape and recommending improvements to the Board where necessary. <p>The ARMC also oversees the implementation and effectiveness of internal controls to uphold the Group's integrity. This includes monitoring the adoption of corporate policies and standard operating procedures ("SOPs") relating to ethical standards and regulatory compliance, reviewing audit findings, monitoring Management's corrective actions, and overseeing the appointment and performance of the independent internal auditor.</p> <p>A comprehensive overview of the Group's risk management and internal control system for FYE 2026 is set out in the Statement on Risk Management and Internal Control in the Company's Annual Report 2026.</p>

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

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Guided by the ERM Framework, the Board and ARMC are supported by Senior Leadership Team for the strategic planning and formalisation of the Group's risk profile. Target risks are properly defined and responsibilities are appropriately assigned within the Group. Upon formalising the Group's risk profile, the Management Team is then responsible to implement the ERM Framework into the Group's daily operations through the key five (5) risk management procedures, namely identify, analyse, respond, monitor and report. Whereas, the Senior Leadership is responsible for implementing the core components of the ERM Framework, including strategy, culture, people, processes, technology and structures into the Group's daily operations.</p> <p>The Group uses a Risk Register to systematically record and document identified risks, their ratings, mitigation plans or actions, and the individuals responsible for managing them.</p> <p>The Group's internal control system comprises clearly defined, formalised and documented policies, standards and procedures. Its key components include:</p> <ul style="list-style-type: none">(a) Board Charter and TOR for the Board Committees;(b) Organisation structure with a proper segregation of duties;(c) Company policies and procedures, including the Code, Anti-Fraud and Whistleblowing Policy, Directors' Fit and Proper Policy and Remuneration Policy; and(d) ISO-certified standard operating procedures covering various operational areas. <p>The outsourced Internal Auditor also performed internal audit review on a regular basis in order to continuously monitor and enhance the Group's risk management and internal control system.</p> <p>Further details of the Group's risk management and internal control system for FYE 2026 are set out in the Statement on Risk Management and Internal Control in the Company's Annual Report 2026.</p>

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

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The ARMC holds the responsibility to ensure the effectiveness of the internal audit function of the Group. The duties and responsibilities of the ARMC in respect of the internal audit function are entailed in the TOR of the ARMC, including but not limited to:</p> <ul style="list-style-type: none">(i) review the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work; and(ii) review the internal audit plan, processes, the results of the internal audit assessment or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function. <p>The Group's internal audit function is outsourced to an independent professional firm, Eco Asia Governance Advisory Sdn Bhd ("Eco Asia"). They report directly to the ARMC, preserving and ensuring its independence and objectivity in performing their functions. Through the ARMC, the Internal Auditor provide the Board with independent assessments and objective assurance on the adequacy and effectiveness of the Group's internal control system.</p> <p>The Internal Auditor will conduct internal audit reviews based on the internal audit plan approved by the ARMC. Upon completion of each internal audit review, they will report the audit findings, along with root-cause analysis, potential risks and implications, as well as recommended corrective actions to the ARMC. Follow-up audits will also be conducted by the Internal Auditor to ensure the management implements the agreed upon recommended corrective action plans within the agreed timeframe.</p> <p>The ARMC also ensures that the Internal Auditor have adequate information and resources to conduct internal audit reviews smoothly and effectively.</p> <p>For the FYE 2026, the Board is of the view that the Group's current risk management and internal control system is well-aligned with its business objectives, and that the identified risks are managed within the Group's risk appetite and tolerance levels.</p>

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

Intended Outcome

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

Practice 11.2

The board should disclose—

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

Application	:	Applied
Explanation on application of the practice	:	<p>During FYE 2026, the Group has outsourced its internal audit function to Eco Asia, an established external professional internal audit firm, which reports to the ARMC directly. Internal audit personnel from Eco Asia are free from any relationship or conflict of interest that could impair their objectivity and independence. They assisted the ARMC in reviewing the effectiveness of the internal control systems within the Group whilst ensuring that there is an appropriate balance of controls and risks throughout the Group in achieving its business objectives. The Management was responsible for implementing the agreed corrective actions arising from internal audit findings, with progress monitored through the internal audit follow-up process. The outsourced of the internal audit function is independent and performed audit assignments with impartiality, proficiency and due professional care</p> <p>For FYE 2026, the internal audit reviews were performed by a Manager, 2 Senior Consultants and 2 Junior Consultants of Eco Asia, led by its Head of Internal Audit, Ms. Janeeta Salim, an associate member of the Institute of Internal Auditors (“IIA”) Malaysia. She has vast experience and exposure in the internal audit field.</p> <p>The internal audit function is conducted in accordance with the International Professional Practices Framework (“IPPF”) issued by The Institute of Internal Auditors, which provides globally recognised standards and guidance for the profession.</p> <p>Through this arrangement, the Board is satisfied that the internal audit function is adequately resourced, professionally competent, and operates with sufficient independence to provide reliable assurance on the Group’s governance, risk management, and internal control processes.</p>
Explanation for departure	:	

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

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges the importance of timely, transparent and effective communication with shareholders and stakeholders to foster mutual trust and understanding. Committed to providing prompt, accurate and fair disclosure of the Group's business operations and developments, the Company primarily utilises the following engagement methods:</p> <p>(i) <u>Company's website</u> The Company's website at www.wawasandengkil.com provides comprehensive and updated information about our Group and businesses, including corporate information, history and key milestones, quarterly reports, financial highlights, stock performance, access to the prospectus for our Initial Public Offering and corporate policies.</p> <p>General public may also reach out to the Company through the "Contact Us" section on the Company's website at www.wawasandengkil.com/contact-page, which provides an avenue for stakeholders to send enquiries, suggest improvements or lodge complaints.</p> <p>(ii) <u>Company announcements made to Bursa Securities</u> Quarterly reports and material information disclosures are submitted to Bursa Securities and can be accessed on both the Company's website at www.wawasandengkil.com/investor-relations/overview and the Bursa Securities' website at www.bursamalaysia.com.</p> <p>(iii) <u>Annual Report</u> The Company's Annual Report is the key communication tool, offering a comprehensive overview of the Group. It encompasses vital information on business operations, financial performance, corporate governance, sustainability initiatives, risk management, internal control systems and the Group's future outlook.</p>

	<p>(iv) <u>General Meetings</u> General meetings serve as primary forum for dialogue with shareholders, where they can direct interact and communicate with the Board by raising any concerns and seeking clarifications from the Directors on the Group's businesses and affairs.</p> <p>(v) <u>Press Conferences/Media Releases</u> The Company may occasionally hold press conferences and issue media releases in conjunction with the execution of significant agreements, products launches or presentations. Additionally, such information will be posted on the Company's website as soon as reasonably practical after being released to Bursa Securities.</p> <p>(vi) <u>Telephone/E-mail/Post</u> For Investor Relations related queries, stakeholders may contact the Company at the following:</p> <p><i>Wawasan Dengkil Holdings Berhad</i> 1-5, 1-6, 1-7, 1-8 & 1-9, Jalan Intan 5/1, Taman Intan, 43800 Dengkil, Selangor. Tel No. : +603-8768 6457 Email : info@wawasandengkil.com</p> <p>Through these communication channels, the Board actively engages with stakeholders in an effective, transparent and regular manner to support their well-informed investment decisions. Nevertheless, the Board is mindful of the legal and regulations governing the disclosure of material and price-sensitive information.</p>
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges the importance of the AGM as a vital platform for direct and meaningful communication between the Board and the Company's shareholders. Therefore, the Board is committed to ensuring that shareholders are given adequate time to review and consider the resolutions to be discussed at the AGM.</p> <p>The Notice of the Fourth AGM, together with detailed explanations of each proposed resolution, will be circulated to shareholders at least 28 days before the meeting. The Notice will be sent by email to shareholders who have provided an email address. A hard copy will be despatched to shareholders who have not provided an email address.</p> <p>To enhance accessibility and transparency, the Notice of the Fourth AGM will also be published in a nationally circulated newspaper and made available on the Company's website at www.wawasandengkil.com/investor-relations/financial-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

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

Practice 13.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board views general meetings as a vital platform for shareholders to interact with Directors, providing an opportunity for shareholders to express their concerns and gain direct insights into the Company's management. This facilitates a more meaningful and constructive dialogue between the Board and its shareholders.</p> <p>Barring any unforeseen circumstances, all Directors, including the Chairperson of each Board Committee, have confirmed their attendance and participation in the forthcoming Fourth AGM. The Board is committed to facilitating discussions and providing meaningful explanations and responses to any questions or concerns raised by shareholders. The Company's External Auditors and Sponsor will also be present at the forthcoming Fourth AGM to respond to any relevant shareholders' queries.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate—

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

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	In accordance with Rule 8.29A of the AMLR, the Company’s forthcoming Fourth AGM, scheduled for 20 November 2026, will be held as a fully physical meeting at a venue within the vicinity of the capital city. The Company will not provide an online facility for shareholders to participate remotely in the meeting.	
		Shareholders who are unable to attend in person may appoint a proxy to attend and vote on their behalf, provided that the completed proxy form is lodged at the office of the Company’s Share Registrar at least 48 hours before the meeting.	
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	:	<p>The Third AGM, held on 24 November 2025, was the Company's first AGM following its listing on the ACE Market of Bursa Securities. All Directors, the Group Financial Controller, the External Auditors and the Sponsor attended the meeting.</p> <p>Shareholders and proxies were informed that they could raise questions after the agenda items had been considered. The Chairman invited questions during the question and answer (Q&A) session and no questions were received from the floor.</p> <p>At the forthcoming Fourth AGM, which is scheduled for 20 November 2026, the Company will continue to encourage shareholders and proxies to participate and raise questions. The Chairman will lead the discussion and provide sufficient opportunity for questions on the Group's performance, proposed resolutions and other relevant matters to be addressed by the Board and Management. Shareholders may also submit enquiries and feedback through the communication channels available on the Company's website.</p> <p>In addition, the Company's website serves as an essential platform for keeping shareholders informed of key developments. Shareholders may engage with the Company, raise concerns, and provide feedback through the communication channels available on the website. The minutes of the general meeting, along with a summary of the Q&A session, will be made available on the Company's website, reinforcing the Company's commitment to transparency and continuous shareholder engagement.</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 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>			
Application	:	Not applicable – only physical general meetings were conducted in the financial year	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	<p>Following the Third AGM held on 24 November 2025, the Company uploaded the Minutes of the Third AGM on its website in January 2026. The Company also held an EGM on 19 December 2025 and published the Minutes of the EGM together with the questions submitted by shareholders and the corresponding responses provided by the Board and Management on its Company's website.</p> <p>These practices are in line with the best practices advocated under the MCCG, which encourages companies to publish AGM and EGM minutes on their website after the meetings to promote greater transparency and accountability.</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	:	

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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