CORPORATE GOVERNANCE REPORT

STOCK CODE : 5042
COMPANY NAME : TSR CAPITAL 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	:	The Board assumes responsibility for the leadership of the Company and provides direction as well as oversight of the management of the business units and affairs of the Company and its subsidiaries ("the Group"). The Board monitors Management's performance through quarterly operational reports and determines the appropriate actions necessary to safeguard the Company's financial position. In the normal course of business, the day-to-day operations of the Company are entrusted to Management under the stewardship of the Deputy Executive Chairman. The Board has delegated specific responsibilities to the Audit Committee, Nomination Committee and Remuneration Committee. These Committees are empowered to review and deliberate on particular matters within their Terms of Reference and to provide recommendations to the Board. Nevertheless, ultimate responsibility for all decisions rests with the Board as a whole.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.2

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

Application	:	Applied	
Explanation on application of the practice	:	The role of Chairman of the Board is currently assumed by Professor Dato' Ahmad Fadzli Bin Yaakob, an Independent Non-Executive Chairman ("Chairman") of the Company. His profile can be viewed in the Company's Annual Report 2026. As provided under the Company's Board Charter, which is accessible at the Company's website at www.tsrcapital.com.my, the Chairman carries out a leadership role in conducting and ensuring effectiveness of the Board and its relationship with shareholders and other stakeholders.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.3

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

Application	:	Applied	
Explanation on application of the practice	:	The positions of the Chairman of the Board and the Chief Executive Officer ("CEO") are held by different individuals. The Board is chaired by Professor Dato' Ahmad Fadzli Bin Yaakob, an Independent Non-Executive Chairman, while Tan Sri Dato' Lim Kang Yew, the Deputy Executive Chairman, carries out the role of CEO of the Group. The Chairman is responsible for leading the Board and ensuring its effectiveness, while the Deputy Executive Chairman is responsible for the day-to-day management of the Group's business and the implementation of the Board's policies and decisions. The respective roles and responsibilities of the Chairman and the Deputy Executive Chairman are formally documented in the Board Charter. This separation of roles ensures a balance of power and authority in accordance with good corporate governance practices.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.4

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

Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.			
Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Board is not a member of the Audit, Nomination and Remuneration Committees. He did not participate in any of the Board Committees' meetings.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	The Company has appointed a qualified Company Secretary in accordance with Section 235(2) of the Companies Act 2016 to serve the Company and its subsidiaries. She is an Associate Member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"). The Company Secretary provides dedicated support to the Board in fulfilling its fiduciary duties and leadership role in shaping the Corporate Governance ("CG") practices of the Group. She acts as an adviser to the Board, particularly in relation to the Company's Constitution, Board policies and procedures, as well as compliance with regulatory requirements, codes, guidance and applicable legislation. In addition, she plays an important role in supporting the Board in overseeing the Group's Governance Model to ensure its continued relevance and effectiveness. The Company Secretary also facilitates the annual assessment of the Board, Board Committees and individual Directors, including coordinating the distribution of assessment questionnaires and compiling the assessment results for consideration by the Nomination Committee. To maintain a high standard of professional competence, the Company Secretary keeps herself abreast of developments in the capital market environment, regulatory changes and evolving CG practices by attending relevant seminars, briefings and training programmes. Every Director has access to the advice and services of the Company Secretary. The Board is satisfied with the competency, performance and support rendered by the Company Secretary in assisting the Board in discharging its functions effectively.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure	:		
Timeframe	:		

Intended Outcome

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	:	Senior Management is responsible for providing the Board and its Committees with adequate and timely information to facilitate effective deliberation and decision-making. The agenda and a complete set of Board papers, comprising both quantitative and qualitative information, are circulated to Directors at least seven (7) days prior to each Board meeting to ensure sufficient time for review and preparation. The deliberations of the Board, including key issues discussed and decisions made, are properly documented in the minutes of meetings. These minutes are subsequently circulated to all Directors in a timely manner and confirmed by the Chairman at the following meeting. In addition, the Chairmen of the respective Board Committees report to the Board on significant matters arising from Committee meetings, particularly those requiring Board approval. All Directors, whether collectively at Board level or individually, have unrestricted access to information within the Company. They are also entitled to seek independent professional advice, at the Company's expense, whenever necessary to enable them to discharge their fiduciary duties effectively. The Company Secretary attends all Board and Committee meetings to ensure that accurate and adequate records of proceedings and resolutions are maintained. She also monitors follow-up actions arising from the Board's decisions and recommendations to ensure proper execution by Management. During FYE 2026, the Company Secretary provided updates to the Board on relevant regulatory developments, including changes to the Malaysian Code on Corporate Governance ("MCCG"), amendments to the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad, and updates to the Companies Act 2016, which are pertinent to the Board's roles and responsibilities.
Explanation for departure	:	

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

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

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

Practice 2.1
The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

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

Application :	Applied	
Explanation on application of the practice :	The Board has established a Board Charter that serves as a key source of reference in guiding the Board on its authority, roles, functions, composition, duties, and responsibilities. The Board Charter is aligned with the principles of good corporate governance and also serves as an important induction document, providing prospective Board members and Senior Management with insights into the governance framework and expectations of their roles. The Board Charter was reviewed on 21 October 2026 and **is** updated from time to time to reflect changes in the Company's policies, procedures and processes, as well as to ensure alignment with the latest applicable legislation, regulations and best practices. The Board reviews the Charter as and when it deems necessary to ensure its continued relevance and effectiveness. The Board Charter is published on the Company's website at www.tsrcapital.com.my for reference by stakeholders.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

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

Practice 3.1
The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

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

Application	:	Applied
Explanation on application of the practice	:	The Board has established a Code of Conduct and Ethics ("the Code") which applies to all Directors, Management and employees of the Group. The Code sets out the standards of behaviour expected in the conduct of the Group's business and is supported by the following policies and procedures: **Conflicts of interest:** Directors are required to declare any direct or indirect interest in transactions or matters before the Board and to abstain from deliberation and voting on such matters. Related party transactions and conflict of interest situations are reviewed by the Audit Committee. **Abuse of power and corruption:** The Group has adopted an Anti-Bribery and Corruption Policy and adequate procedures in line with Section 17A of the Malaysian Anti-Corruption Commission Act 2009, which prohibits all forms of bribery and corruption, including the giving and receiving of gifts, entertainment and hospitality that may improperly influence business decisions. **Insider trading:** Directors and principal officers are reminded of the prohibition against trading in the Company's securities while in possession of price-sensitive information, and of the closed period requirements under Chapter 14 of the Main Market Listing Requirements. **Money laundering:** The Group observes the requirements of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 and conducts due diligence on customers, vendors and business partners where appropriate. The Code of Conduct and Ethics can be accessed at the Company's website at www.tsrcapital.com.my.

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

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

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

Practice 3.2
The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied
Explanation on application of the practice	:	The Board believes in promoting high standard of integrity and accountability in managing its day-to-day businesses and operations and aims to conduct its affairs in an ethical, responsible and transparent manner. The Board has established a Whistleblowing Policy for the Group to encourage employees and stakeholders to report or disclose any improper conduct in accordance with the procedures and provide protection to them from reprisal as consequences of making such disclosure. The Whistleblowing Policy has been reviewed to enhance its appropriateness and relevance to the Company and its compliance with the relevant laws, rules and regulations. The full version of the Whistleblowing Policy is published on the Company's website at www.tsrcapital.com.my.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

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

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

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

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

Application	:	Applied
Explanation on application of the practice	:	The Company, under the leadership and oversight of the Board, continues to embed sustainability considerations into its overall business strategy while capitalising on sustainability-related opportunities, including the development of new business streams. The Board assumes responsibility for sustainability governance by ensuring that the Company's strategies, priorities, and targets take into account evolving sustainability trends and the operating environment. This includes adjustments to business operations, strategy implementation, and the measurement of sustainability impacts. In discharging this responsibility, the Board seeks to promote sustainable business practices, strengthen employee engagement, and foster environmental and social consciousness across the Group's operations. To remain informed, the Board, through the Nomination Committee, reviews and assesses the training programmes attended by each Director during FYE 2026. This ensures that Directors are well-equipped with up-to-date knowledge of sustainability requirements, industry developments, and issues material to the Group. The Board's annual evaluation process also includes an assessment of its understanding and oversight of sustainability matters critical to the Group's long-term performance. At the management level, the strategic management of material sustainability matters is driven by Senior Management. Sustainability considerations, including climate-related, health and safety, environmental, financial, and people development risks, are integrated into their performance review process, thereby aligning accountability with the Company's sustainability agenda.

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

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

Practice 4.2
The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

<table>
<tr><td>Application :</td><td>Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td>At TSR, we are committed to ongoing, constructive dialogue with key stakeholders to build transparency, trust, and mutual accountability. Through clear two-way communication and collaboration, we proactively ensure stakeholder perspectives and expectations are continuously addressed and integrated into our corporate decision-making and sustainability strategies.

The table below highlights how we engage with our key stakeholders and address their primary concerns through various communication channels:

<table>
<tr><th>Stakeholders</th><th>Key Concerns</th><th>Communication Channels and Responses</th></tr>
<tr><td>Shareholders</td><td>Business strategy
Transparency & timely information updates
Reputation & accountability</td><td>Engage through Annual General Meetings (“AGMs”), Extraordinary General Meetings (“EGMs”), and public announcements on financial performance and corporate matters.</td></tr>
<tr><td>Customers</td><td>Product quality
Post hand-over service</td><td>Gather feedback through regular meetings, site visits, and customer surveys to enhance work quality and align it with evolving customer needs.</td></tr>
<tr><td>Employees</td><td>Fair labour practices
Remuneration & Benefits Career advancement
Communication
Health & Safety</td><td>Encourage active participation with open-door policy, regular meetings, and employee feedback channels.
Compliance with labour laws and regulations.</td></tr>
</table>
</td></tr>
</table>

	Contractors, Vendors & Suppliers	Fair and equitable vetting Transparent evaluation Sustainable partnerships	Foster collaboration through continuous communication and fair evaluations of sustainable sourcing practices.
	Government Agencies/ Regulators/ Local Authorities	Ethical & sustainable operations Strong relationships with regulators & authorities	Participate in consultations and seminars. Ensure full compliance with industry standards and regulations.
	Financial Institutions	Good governance Regulatory compliance Sustainability	Strengthen business resilience, provide timely financial and sustainability disclosures, respond to investor queries, and stay informed on emerging sustainability trends.
	Local Communities	Harmonious relationships Local economic impact	Prioritise local hiring and sourcing, and ensure minimal disruption from construction activities on the health and mobility of the affected communities.
Explanation for departure :			
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure :			
Timeframe :			

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

Practice 4.3
The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	While Directors are not expected to be sustainability experts, they recognise that adequate sustainability knowledge is essential to address material sustainability risks and opportunities, including climate-related matters. The Board ensures that its members remain well-informed by participating in formal training programmes, webinars, briefings, and presentations, as well as through structured reading and discussions on emerging sustainability issues relevant to the Group's business.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Board and Senior Management continue to discharge their respective roles in addressing the Company's material sustainability risks and opportunities. The effectiveness of the Board in overseeing sustainability matters is evaluated as part of the annual Board Evaluation, while the performance of Senior Management in managing material sustainability matters is assessed through the annual Senior Management Evaluation. The results of these evaluations are submitted to the Nomination Committee ("NC") for review. The NC subsequently reports its findings and recommendations to the Board for consideration and, where necessary, further action.	
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	:	The Nomination Committee ("NC") is responsible for conducting the annual assessment of the effectiveness of the Board as a whole, the Board Committees, and individual Directors. The assessment process includes a Board Assessment by Individual Directors, which evaluates their performance and contribution towards meeting the needs of the Company. The evaluations also cover Self and Peer Assessments, as well as an assessment of independence for Independent Directors. All assessments and evaluations undertaken by the NC in discharging its responsibilities are properly documented. For the financial year ended 30 June 2026, the Board was satisfied with the results of the evaluation, which confirmed that the Board and its Committees had effectively discharged their duties and responsibilities. The performance and contribution of each individual Director were also deemed satisfactory. In addition, the Board was satisfied that its composition, in terms of size, balance between Executive, Non-Executive and Independent Directors, and mix of skills, experience, and competencies, remained adequate to support the Company's current and future needs.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

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

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	As at the date hereof, 3 out of 8 directors or 37.50% of the Board are independent directors.
		The current Board composition is not in line with the MCCG recommendation to have at least half of the Board comprised of Independent Non-Executive Directors. However, the Board is in compliance with Paragraph 15.02 of the Main Market Listing Requirements of Bursa Malaysia which requires at least two (2) Directors or one-third (1/3) of the Board members, whichever is the higher, are independent directors.
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	The Board noted the recommendation of the MCCG that at least half of the Board members are independent. The Nomination Committee will continue to identify suitable candidates with the required skill, expertise and relevant level of independence for appointment to the Board as Independent Directors to further strengthen the Board. Ms Lee Siew Chen has been designated as the Senior Independent Non-Executive Director to ensure that board decisions are made objectively in the best interest of the Company.
Timeframe	:	

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

Practice 5.3
The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

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

Application	:	Applied	
Explanation on application of the practice	:	Presently, the tenure of all the Independent Non-Executive Directors does not exceed a cumulative term of nine (9) years as recommended by the Code.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

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

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.		
Application	:	Adopted
Explanation on adoption of the practice	:	The Board has adopted a policy, as set out in its Board Charter, which limits the tenure of Independent Directors to a maximum of nine (9) years. Upon completion of the nine-year period, an Independent Director will no longer be eligible to continue serving on the Board in the capacity of an Independent Director.

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 :	The Nomination Committee ("NC") is responsible for identifying and recommending suitable candidates for Board membership through a transparent and rigorous process. In carrying out this responsibility, the NC may also seek external advice or utilise professional search firms where appropriate. The final decision on appointments rests with the Board. The assessment and selection of candidates are based on objective criteria and merit, with due consideration given to diversity in skills, expertise, experience, age, cultural background and gender. In addition, the NC ensures that any proposed appointment will not give rise to conflicts of interest, compromise integrity, or cast doubt on the governance of the Company. The ability of a candidate to commit sufficient time to discharge his or her role effectively, including consideration of existing directorships on listed and non-listed companies, is also taken into account. The role and responsibilities of the NC are clearly defined in its Terms of Reference, which are available on the Company's website at www.tsrcapital.com.my.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

Practice 5.6
In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

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

Application :	Applied	
Explanation on application of the practice :	The selection of candidates for appointment as new Directors may be recommended by existing Directors, Management, or shareholders. In addition, the Board remains open to utilising external and independent sources to identify suitably qualified candidates. The Nomination Committee ("NC") is responsible for assessing and proposing new nominees for appointment to the Board. In making its recommendations, the NC considers candidates based on objective criteria, including skills, knowledge, expertise, experience, integrity, gender, and the ability to commit sufficient time to discharge their responsibilities effectively. No new Directors were appointed during the financial year. Accordingly, no independent sources were required. Where a vacancy arises, the Nomination Committee will consider candidates from independent sources such as directors' registries and search firms, in addition to recommendations from existing Directors, Management and shareholders.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Directors seeking re-election pursuant to the Company's Constitution were assessed by the Nomination Committee ("NC"), which evaluated their performance, contribution, and ability to exercise independent judgement in the best interests of the Company. Based on the NC's recommendation, the Board has resolved to support their re-election, subject to shareholders' approval at the forthcoming Annual General Meeting ("AGM"). Relevant details of the retiring Directors, including their profiles, experience, and any interests in shares, are disclosed in the Board of Directors' Profiles and Analysis of Shareholdings sections of the Company's Annual Report 2026. For the financial year ended 30 June 2026, there is no new individual seeking election as a Director of the Company at the AGM.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	The Nomination Committee is chaired by Ms Lee Siew Chen, who is the Senior Independent Non-Executive Director of the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board has provided in the Board Charter, to have at least one female Director in the Board. It is the intention of the Board to provide equal opportunity to suitable candidates who have the necessary competency and experience to bring value to the Board. As at the date hereof, there is one woman Director on the Board out of a total of eight Directors. The Board acknowledges the importance of gender diversity in the Board. However, the selection and appointment of a new Board member will be based on merits and effective blend of skills, experience and knowledge in areas identified, the size of the Board and the needs of the Company.	
		The Board will endeavour to have the target of at least 30% women directors representation on the Board.	
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 5.10
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	:	In line with the Company's Board Charter, the Board upholds the principle of diversity and does not tolerate discrimination on any basis, including but not limited to race, age, ethnicity, and gender. The Board believes that the suitability of candidates should be evaluated objectively, based on performance, merit, skills, experience, and the ability to devote sufficient time and commitment to effectively discharge their responsibilities. The Board is also supportive of gender diversity as part of its governance practices. Pursuant to the Board Charter, the Company has adopted a policy to maintain at least one female Director on the Board. During the financial year under review, the Company complied with this policy, with one female Director serving on the Board. The Board's commitment to diversity extends to Senior Management. Appointments to Senior Management positions are made on the basis of merit, with due regard to diversity in skills, experience, age, cultural background and gender. As at 30 June 2026, women made up one of three Senior Management positions. The Board will continue to encourage the development of female talent within the Group to build a pipeline for future senior leadership roles.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

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

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

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

Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.		
Application	:	Applied
Explanation on application of the practice	:	The Board through the Nomination Committee ("NC") and facilitated by the Company Secretary, annually assesses the effectiveness of the Board as a whole, Board Committees and the contribution of each individual Director. The annual assessment comprises Board Assessment by Individual Directors in relation to their performance and contribution towards meeting the needs of the Company. The assessments include Self and Peer Assessment and an assessment of independence for an Independent Director. The evaluation for the financial year ended 30 June 2026 was carried out internally through questionnaires covering Board structure and composition, Board processes, Board governance including oversight of sustainability matters, the effectiveness of the Board Committees, and the contribution and performance of individual Directors. The results were compiled by the Company Secretary and tabled to the Nomination Committee on 21 October 2026, and subsequently reported to the Board on the same date. The Board was satisfied that the Board and Board Committees had discharged their duties and responsibilities effectively, and that the contribution and performance of each individual Director were satisfactory. The evaluation identified areas for improvement, e.g. strengthening Board independence and gender diversity, and further training on sustainability and climate-related matters. Arising from the evaluation, the Nomination Committee will continue to identify suitable independent female candidates; Directors will attend training on Sustainability. The results of the evaluation, including the assessment of independence, were also used by the Nomination Committee in recommending the Directors due for re-

	election at the forthcoming AGM.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board has established a Remuneration Policy that underpins the Company's long-term business strategy and objectives, while ensuring that remuneration remains fair, competitive, and performance-based. The policy also takes into consideration the complexity of the Company's operations, the scope of individual responsibilities, as well as the skills and experience required for each role. The Remuneration Committee ("RC") is responsible for reviewing and recommending to the Board the remuneration of Directors and Senior Management, including matters relating to compensation arising from loss or termination of office, or removal for misconduct. In line with best governance practices, Executive Directors do not participate in discussions or decisions on their own remuneration. The remuneration of Non-Executive Directors is determined by the Board collectively, with the respective individuals abstaining from deliberations and voting on matters concerning their own remuneration. The Remuneration Policy is reviewed as and when necessary to ensure its continued relevance, competitiveness, and alignment with prevailing market practices.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure	:		
Timeframe	:		

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

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

Practice 7.2
The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

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

Application	:	Applied	
Explanation on application of the practice	:	The roles and responsibilities of the Remuneration Committee are provided in the Terms of Reference and available on the Company's website at www.tsrcapital.com.my.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The level of Directors' fees is structured to reflect the experience, responsibilities, and contribution of each Director to the Board and the Company. The detailed disclosure of the remuneration of individual Directors of the Group and the Company on a named basis, including fees, salaries, bonuses, benefits-in-kind, and other emoluments, is presented in the Annual Report 2026 and set out in the ensuing page.

No	Name	Directorate	Company (RM'000)							Group (RM'000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Professor Dato' Ahmad Fadzli Bin Yaakob	Independent Chairman	72	-	-	-	-	-	72	72	-	-	-	-	-	72
2	Tan Sri Dato' Lim Kang Yew	Deputy Executive Chairman	60	-	-	-	-	-	60	60	-	1,950	-	-	-	2,010
3	Lim Dian Hoong	Executive Director	-	-	-	-	-	-	-	-	-	856	-	-	85	941
4	Tengku Ab Hadi Bin Tengku Mustafa	Executive Director	-	-	-	-	-	-	-	-	-	60	-	-	9	69
5	Lim Dian Ping	Executive Director	-	-	-	-	-	-	-	-	-	670	-	-	68	738
6	Lim Kuan Hwang	Non-Independent Non-Executive Director	24	-	-	-	-	-	24	24	-	-	-	-	-	24
7	Lee Siew Chen	Senior Independent Director	24	-	-	-	-	-	24	24	-	-	-	-	-	24
8	Dato' Sr Mohd Zaid Bin Zakaria	Independent Director	24	-	-	-	-	-	24	24	-	-	-	-	-	24
9	Ng Kim Keong (Resigned on 30 September 2026)	Executive Director cum Chief Operating Officer	-	-	-	-	-	-	-	-	-	375	-	-	37	412
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input	Input	Input	Input	Input	Input	Input	Input	Input	Input	Input	Input	Input	Input

			info here	info here	info here	info here	info here	info here	info here	info here	info here	info here	info here	info here	info here	info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

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

Practice 8.2
The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Due to the confidential nature of Senior Management's remuneration packages, and to avoid poaching by competitors, the Board is of the view that it is not in the Company's best interest to disclose their remuneration on a named basis. However, the Senior Management's remuneration is included in the total employee benefits expense as disclosed in the Company's Annual Report 2026.	
		The Board wishes to give assurance that the remuneration of Senior Management is commensurate with their individual performance, taking into consideration the Company's performance. The remuneration packages of Senior Management are based on experience, expertise, and skills. The Board opines that the current remuneration packages are competitive to attract, retain and motivate its Senior Management to lead and operate the Company successfully.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	The Board will continue to observe and monitor the market practice in respect of the required disclosure for future consideration.	
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	:	

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

Intended Outcome
There is an effective and independent Audit Committee.

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Company's Audit Committee is not the Chairman of the Board as the Board acknowledges that the Audit Committee should function as an independent and objective body to ensure the integrity of financial reporting process and accounting records of the Group.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
There is an effective and independent Audit Committee.

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Audit Committee, through its Terms of Reference, has established a policy requiring a former engagement audit partner to observe a minimum cooling-off period of three (3) years before being eligible for appointment as a member of the Audit Committee. None of the AC members was a former audit partner of the Company's external auditors, for the financial year under review.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.3
The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied
Explanation on application of the practice	:	The Group has in place a policy to assess the suitability, objectivity, and independence of its External Auditors. The Audit Committee ("AC") undertakes an annual review and evaluation of the performance of the External Auditors, taking into consideration feedback from AC members, Management, and senior Finance personnel who engaged with the auditors. For this purpose, a self-assessment by the External Auditors, Crowe Malaysia PLT ("Crowe"), was also carried out. In its evaluation, the AC considered, among others, compliance with professional and regulatory requirements, the effectiveness of the audit process, the independence of the External Auditors, and the nature and extent of non-audit services provided. As part of the annual audit exercise, the Company obtained written assurance from Crowe confirming that they remained independent throughout the audit engagement, in accordance with the relevant professional and regulatory requirements. Crowe has also complied with the requirements of the Malaysian Institute of Accountants and the firm's guidelines on audit partner rotation, whereby audit partners are rotated every seven (7) years. In compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a former engagement audit partner will not be eligible for appointment to the Audit Committee unless a minimum cooling-off period of three (3) years has been observed. Based on the review conducted, the AC concluded that Crowe has demonstrated independence, objectivity, and professionalism in the conduct of the audit. Following Crowe Malaysia PLT's decision not to seek re-appointment and the receipt of a Notice of Nomination from Segi Satria Sdn. Bhd. nominating Morison LC PLT ("Morison"), the AC assessed Morison's suitability, objectivity and independence on 21 October 2026. The assessment took into account its registration with the Audit Oversight Board, its resources, the experience of its engagement team and its proposed audit fees. Morison has confirmed its independence and

	consented to act. The AC was satisfied with the assessment and recommended Morison's appointment to the Board, subject to shareholders' approval at the 25th AGM.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
There is an effective and independent Audit Committee.

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.5
Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

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

Application :	Applied	
Explanation on application of the practice :	The Audit Committee ("AC") comprises members with a wide range of skills, knowledge, and experience necessary to discharge their duties effectively, and their profiles are presented in the Annual Report. All AC members are financially literate and able to understand matters within the purview of the Committee, including the financial reporting process. Notably, Ms Lee Siew Chen, the Chairperson of the AC, is also a member of the Malaysian Institute of Accountants. The Board recognises the importance of continuous professional development for Directors, including AC members, to remain abreast of relevant developments in accounting and auditing standards, practices, and regulatory requirements. Throughout the financial year ended 30 June 2026, Directors attended various training programmes and seminars, details of which are disclosed in the Corporate Governance Overview Statement.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

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

Practice 10.1
The board should establish an effective risk management and internal control framework.

Application	:	Applied	
Explanation on application of the practice	:	The Board acknowledges its overall responsibility for the Group's system of risk management and internal control to safeguard shareholders' investment and the Group's assets as well as reviewing its adequacy and operating effectiveness in meeting the Group's objectives. The Board has established a risk management process to identify, evaluate, control, report and monitor significant risks faced by the Group. Also, the Group has an established organisational structure with clearly defined lines of responsibilities and appropriate levels of delegation and authority to ensure the internal control system is observed. The Board has delegated its role in the review process to the Audit Committee. However, the Board as a whole remains responsible for all the actions of the committee with regard to the execution of the delegated role and this includes the outcome of the review and disclosure on key risks and internal control. The Statement on Risk Management and Internal Control, which has been reviewed by the External Auditors, is set out in the Annual Report 2026 and details the Group's risk management and internal control framework.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

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

Practice 10.2
The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied
Explanation on application of the practice	:	The Board recognises the importance of maintaining a sound system of risk management and internal control to safeguard shareholders' investments and the Group's assets. To this end, the Audit Committee ("AC") assists the Board in overseeing the Group's risk management framework and internal control systems to ensure that relevant and material risks are properly identified, assessed, and managed. The AC acknowledges its primary responsibility to ensure the adequacy, effectiveness, and integrity of the risk management and internal control framework, and that the system is subject to continuous review and monitoring. The review encompasses, among others, financial, operational, compliance, and risk management processes across the Group. It is noted that the risk management and internal control framework is designed to manage, rather than eliminate, risks that may hinder the achievement of the Group's business objectives. As such, the framework can only provide reasonable, and not absolute, assurance against material misstatements, losses, fraud, or other irregularities. Further details of the Group's risk management and internal control framework are provided in the Statement on Risk Management and Internal Control in the Annual Report 2026.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
Companies 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	:	The internal audit function of the Group is presently outsourced to Vaersa Advisory Sdn. Bhd., an independent professional firm to provide the Board and the Audit Committee with assurance on the adequacy and effectiveness of the system of internal control of the Group. The Internal Auditors focus their review on significant and high risk areas of the Group's businesses. The internal audit function reports directly to the Audit Committee.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 11.2
The board should disclose–

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

Application	:	Applied	
Explanation on application of the practice	:	During the financial year 2026, the Audit Committee ("AC") was supported by Vaersa Advisory Sdn. Bhd. ("Vaersa") as the outsourced Internal Audit Function ("IAF"). The IAF is independent and free from any relationships or conflicts of interest that could impair its objectivity and independence. Vaersa has no relationship with the Group and is independent of Management, staff, Directors, and substantial shareholders. The professional service provider is headed by Mr Quincy Gan of Vaersa, who reports directly to the Audit Committee. He is an Associate Member of the Institute of Internal Auditors Malaysia ("IIAM"). He is supported by a team of 12 internal audit staff. The internal audit engagements were conducted in accordance with the International Professional Practices Framework ("IPPF") issued by The Institute of Internal Auditors ("IIA"), which sets out the principles and standards of professional practice for Internal Auditors worldwide.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

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

Practice 12.1
The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied
Explanation on application of the practice	:	The Board is committed to ensuring effective, transparent, and regular communication with its stakeholders. The Company maintains a corporate website at www.tsrcapital.com.my, which provides shareholders and investors with timely access to information about the Group, including announcements, financial results, corporate governance documents, and other relevant updates. In addition, information is disseminated through the Company's Annual Reports, press releases, and Bursa Malaysia announcements, which keep shareholders and the investing public informed of the Group's latest developments. The Annual General Meeting ("AGM") also serves as an important platform for direct interaction with shareholders, where they are encouraged to participate actively and engage with the Board and Management.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

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

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

Practice 12.2
Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

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

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

Practice 13.1
Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Applied	
Explanation on application of the practice	:	On 30 October 2025, notifications were sent to all shareholders by way of letter to inform them that the Notice of the 24th Annual General Meeting ("AGM") and other relevant documents were published on the Company's website. The Notice period provided was more than 28 days prior to the AGM held on 28 November 2025, thereby complying with the Malaysian Code on Corporate Governance. This also exceeded the minimum requirements of the Listing Requirements and the Companies Act 2016, which prescribe at least 21 days' notice. For the forthcoming 25th AGM scheduled to be held on 30 November 2026, notifications will similarly be sent to all shareholders on 28 October 2026, either by way of letter or email, informing them that the Annual Report 2026, Circular to Shareholders, Corporate Governance Report, Notice of the 25th AGM, Statement Accompanying Notice of AGM, Proxy Form, and Requisition Form for printed copy of the Annual Report 2026 have been published on the Company's website.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 13.2
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	:	At the 24th AGM of the Company held on 28 November 2025, all members of the Board and Board Committees, together with Senior Management and the External Auditors, were present. The Chairpersons of the Audit Committee and Nomination Committee were available to provide meaningful responses to questions addressed to them. This ensured that shareholders were given sufficient clarification on matters relating to the Company's governance, operations, and financial performance.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 13.3
Listed companies should leverage technology to facilitate–

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

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company has conducted its general meetings physically, and voting is carried out by poll, with an independent scrutineer appointed to verify the poll results. Shareholders who are unable to attend may appoint proxies and lodge proxy forms electronically via email. The Board has not adopted remote participation and voting in absentia, as the Company's shareholders have historically participated in person and the Board wishes to evaluate the feasibility, cost and benefit of the available platforms before implementation. On cyber hygiene, the Group has IT security controls such as antivirus protection, access controls, regular data backups, and personal data protection measures in compliance with the Personal Data Protection Act 2010.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	The Board will assess the feasibility of conducting hybrid general meetings and remote voting, including the selection of a suitable platform provider with adequate data privacy and security safeguards.	
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	:	The Board recognises the importance of transparency and accountability to shareholders and has availed various channels to maintain regular communication, including quarterly financial results announcements to Bursa Malaysia, material announcements and circulars, the Annual Report, media releases, general meetings, and the Company's website. General meetings serve as an important platform for meaningful engagement between the Board, Senior Management, and shareholders. At these meetings, shareholders are provided with sufficient opportunities to raise questions and seek clarifications on both financial and non-financial performance, as well as the Company's long-term strategies and business direction. The Chairman ensures that the proceedings are conducted in an interactive manner, with robust discussions encouraged to promote effective shareholder engagement. All questions posed are addressed with meaningful responses. Members of the Board, Senior Management, and the External Auditors are present to provide comprehensive explanations when required.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	

Timeframe :		

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

Practice 13.5
The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

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

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

Practice 13.6
Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.			
Application	:	Applied	
Explanation on application of the practice	:	The minutes of the 24th Annual General Meeting ("AGM") held on 28 November 2025 were confirmed and signed by the Chairman on 12 December 2025 and uploaded to the Company's website on the same date. In line with good corporate governance practices, the minutes were published within thirty (30) business days from the date of the AGM, ensuring timely and transparent communication with shareholders.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

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

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