

CORPORATE GOVERNANCE REPORT

STOCK CODE : 8982
COMPANY NAME : CEPATWAWASAN GROUP BERHAD
FINANCIAL YEAR : 31 December 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors ("Board") of Cepatwawasan Group Berhad ("Company") is committed to ensure that the highest standards of corporate governance are practised throughout the Group towards enhancing business prosperity and corporate accountability to realise long term shareholders' value for the Company's shares. The Board is working towards ensuring full compliance with principles and best practices of Malaysian Code on Corporate Governance.</p> <p>The Board assumes full responsibilities for the overall performance of the Company and its subsidiaries by setting the policies, establishing goals and monitoring the achievement of the goals through strategic action plans and careful stewardship of the Group's assets and resources. It focuses on financial performance and crucial business issues, like principal risks and their management, succession planning for senior management, investor relations programme and shareholders communication policy, systems for internal control and compliance with laws and regulations.</p> <p>In discharging their responsibility, the Board considers all aspects of the operations of the Group and in particular the following areas:</p> <ul style="list-style-type: none">• Reviewing and adopting a strategic business plan for the Group.• Overseeing the conduct of the business of the Group.• Identifying and putting in place systems to manage any principal risk.• Succession planning for senior management.• Developing and implementing investor relations programme or shareholder communications policy.• Reviewing internal control and management information systems.

	<p>To ensure the effective discharge of its function and responsibilities, the Board has delegated specific responsibilities to the following Committees:</p> <p>(a) Audit Committee (b) Nomination Committee (c) Remuneration Committee (d) Executive Committee</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	:	

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>Tan Sri Dr Mah King Thian @ Mah King Thiam is the Chairman of the Company. His profile can be viewed on page 7 of the Company's Annual Report. He leads the Board to enable the Board functions effectively.</p> <p>As provided by the Company's Board Charter, the Chairman is required, amongst others, to:</p> <ol style="list-style-type: none">1. facilitate all Board meetings and ensure the appropriate level of interaction among Board members, subsidiary Board members and senior management;2. ensure a balance composition of skills, knowledge and experience within the Board and an effective working, reporting and communication mode;3. ensure that material matters in respect of the business or governance of the Company or the Group are tabled and ventilated effectively for Board decision making;4. monitor the performance of the individual and collective roles of the directors and the Board;5. maintain a regular and constructive dialogue with the Managing director and senior management in respect of all material matters affecting the Company and the Group and to consult with the other Board members promptly and appropriately; and6. chair all meetings with the shareholders i.e. Annual General Meeting, Extraordinary General Meeting.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The roles of the Chairman and Managing Director are separate and each has a clearly accepted division of responsibilities to ensure a balance of power and authority. Tan Sri Dr Mah King Thian @ Mah King Thiam is the Executive Chairman and Chairman of the Board whereas Dato' Seri Mah King Seng is the Group Managing Director of the Company.</p> <p>The Chairman is primarily responsible for the orderly conduct and working of the Board while the Managing Director has overall responsibilities in the implementation of Board policies and decisions as well as some of the Group's day-to-day operations.</p> <p>The Chairman is an Executive Director and remains so after taken into consideration of his vast experience in managing the Group's main business in plantations and palm oil mill which would enable him to provide the Board with a diverse set of experience, expertise and skills to better manage and run the Group.</p> <p>The respective duties and responsibilities of the chairman and the Group Managing Director are contained in the Board charter.</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

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<ul style="list-style-type: none">• The Chairman of the Board, Tan Sri Dr Mah King Thian @ Mah King Thiam is not a chairman/member of any of these Board committees. The Chairman of these Committees are: (a) Audit Committee - Puan Lee Nyuk Choon @ Jamilah Ariffin (b) Nomination committee - Datuk Chua Kim Yin (JP) (c) Remuneration Committee – Datuk Chua Kim Yin (JP)• However, at the invitation of these Committees, the Chairman of the Board who is an executive Chairman and/or Managing Director and other appropriate officer(s) may be invited to attend these Committee meetings, where their presence are considered appropriate as determined by the Chairman of the respective Committees.
		The Chairman of the Board, Managing Director and the other officers are exclude from voting in these Committee, these ensure decisions are made objectively without the invitee's influence.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	Not Applicable

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>The Company Secretaries of the Company are Mr. Kang Shew Meng and Ms Seow Fei San. They are qualified to act as company secretaries under section 235 of the Companies Act 2016.</p> <p>The Company Secretaries play important roles in ensuring adherence to the Board policies and procedures from time to time.</p> <p>The Company Secretaries carry out the following tasks:</p> <ul style="list-style-type: none">• Attend and ensure proper conduct and procedures at all Board Meetings, Board Committee Meetings, Annual General Meeting and Extraordinary General Meeting;• Ensure that the quarterly financial results, audited financial statements, annual reports, circulars, etc and all relevant announcements are announced to Bursa Malaysia Securities Berhad on a timely basis;• Ensure that deliberations at the meetings are well captured and minuted, and subsequently communicated to the relevant Management personnel for necessary actions;• Ensure that the Company complies with the Main Market Listing Requirements ("MMLR") and the requirements of the relevant authorities;• Inform and keep the Board updated of the latest enhancement in corporate governance, changes in the legal and regulatory framework, new statutory requirements and best practices;• Keep the Directors and principal officers informed of the closed period for trading in the Company's securities; and• Ensure proper record and maintenance of the Company's proceedings, resolutions, statutory records, register books and documents.
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

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

Practice 1.6

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

Application	:	Applied	
Explanation on application of the practice	:	The notice and agenda of Board meetings are given to the members of the Board and Board Committees at least 7 days prior to the meetings. During the financial year ended 31 December 2023, meetings papers are made available to the Directors at least 7 calendar days prior to the meetings.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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 is guided by its Board Charter. The Board has established clear functions reserved for the Board and those delegated to Management in the Board Charter which serves as a reference point for Board’s activities. The Board Charter provides guidance for Directors and Management on the responsibilities of the Board, its Committees and requirements of Directors and it is subject to periodical review to ensure consistency with the Board’s strategic intent as well as relevant standards of corporate governance.</p> <p>The Board Charter addresses, among others, the following matters:</p> <ul style="list-style-type: none"> • Role and responsibilities of the Board; • Composition, Board balance and Board diversity; • The role of Chairman and Group Managing Director; • Supply of information and Board meetings; • Matters reserved for the Board; and • Board Committees; <p>The Board Charter was reviewed and updated on 26 February 2024. The Board Charter is accessible for reference on the Group’s website, www.cepatgroup.com</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>The Company has formalised a set of ethical standards through a Code of Conduct and Ethics, which is subject to periodical review, to ensure Directors practise ethical, business like and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members. The Board would review the said Code of Conduct and Ethics when necessary. The Code of Conduct and Ethics is published on the Company's website at www.cepatgroup.com.</p> <p>Along with good governance practices and in order to enhance transparency and accountability, the Board has established and put in place the following policies and procedures which full details of the policies and procedures are made available at the Company's website at www.cepatgroup.com:</p> <ul style="list-style-type: none">- Board Charter- Code of Conduct and Ethics- Shareholder's Right relating to General Meeting- Shareholder Communication policy- Whistleblowing Policy and Procedure- Sustainability Policy- Anti-bribery Policy and Corruption Policy- Diversity policy- Board of Directors' Fit and Proper Policy- Sustainability Policy <p>The Board had also conducted a review on 26 February 2024 on the above policies.</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 is committed in preserving and protecting the interest and reputation at all times. In this respect, the Whistleblowing Policy was established in July 2010.</p> <p>The main objective of the Whistleblowing Policy and Procedure is to provide an objective point of escalation for employees or stakeholders to disclose in a bona fide manner any suspected acts of wrongdoings without any fear of reprisal. The Whistleblowing Policy and Procedure provides guidelines for the reporting and the investigation of any wrongdoings.</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 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	:	<ul style="list-style-type: none">• The Group has established a sustainability structure whereby Board of Directors approves and monitors the development of Management's corporate sustainability strategies, policies and performance.• The governance, management and reporting on the Group sustainability are delegate to Sustainability Committee lead by the General manager whom is responsible for providing overall direction, leading strategic decision-making and driving execution for all of the Group's sustainability related matters.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Group’s are principally involved in Oil Palm activities with all its plantations and mill certified under MSOP since 2019, MSPO Surveillance audit on its Mill and Plantations have been carried out every year since 2019. These results are discussed at each level and issues highlighted would be resolved.</p> <p>The Group communicates and engages with its internal stakeholders through meetings, trainings, events and functions. For external stakeholders, the Group holds meetings, CSR events, Annual General Meeting, etc.</p> <p>The Group policies on sustainability policies are made available at the Company’s website at www.cepatgroup.com.</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 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	:	<ul style="list-style-type: none"> • Sustainability issues has been an agenda in the notice of the Board meetings where the Board proactively discusses on the Group’s ESG issue, progress and Performance. • The Directors also continuously undertake professional trainings to keep abreast with sustainability issue relevant to the Group. 	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The 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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Although the Group has board and senior management evaluation process and has identified sustainability agenda as one of the key matters to support its long-term strategy and success, the Group at the moment does not have a formal performance evaluation on its board and senior management in addressing the company's material sustainability risks and opportunities.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

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	:	Departure.
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	:	<ul style="list-style-type: none">• The Group has policies and procedures on “Nomination and Election Process of Board Members” that is available on the Group website at www.cepatgroup.com• The Nomination Committee has assessed the Board composition and is satisfied that the current size and composition of Directors is adequate to provide a balance mix of skills and experience, as well as the objectivity required in the boardroom.• The Group has carried out annual evaluation on the directors' performance on 16 November 2023.	
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	:	Departure.	
Explanation on application of the practice	:		
Explanation for departure	:	Our Board has Five (5) members, comprising two (2) Executive Directors, One (1) Non-Independent Non-Executive Director and two (2) Independent Non-Executive Directors. This complies with Paragraph 15.02 of the MMLR which requires at least one-third (1/3) of the board to be Independent Directors.	
		The current board composition reflects a balance of executive and non-executive directors with diverse expertise and experience. While there may be fewer independent directors, the non-independent directors bring valuable industry knowledge and insights that are essential for informed decision-making. Their deep understanding of the company's operations and industry dynamics allows them to contribute effectively to discussions on sustainability risks and opportunities.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied.
Explanation on application of the practice	:	<p>The Company does not have a policy on the tenure of Independent Director; however, the Company recognises the MCG's recommendation on the tenure of an independent director should not exceed a cumulative term of nine (9) years. Upon completion of nine (9) years, the Independent Director may continue to serve on the Board as an Independent Director subject to assessment by the Board and shareholders' approval at the general meeting. The Company would apply the two-tier voting process in seeking shareholders' approval to retain Independent Director beyond nine (9) years of tenure of office.</p> <p>As at 22nd April 2024, none of the tenure of Independent Directors exceed a cumulative term limit of 9 years.</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 5.4 - 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	:	Departure
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 importance of Boardroom diversity. A diversity policy has been established by the Board. The Board endeavours to have at least one woman participate on the Board at all times. The Board endeavours to have diversity of the Board as well as its workforce in terms of experience, qualification, ethnicity and age.</p> <p>The Nomination Committee is responsible to lead the process for the nomination of new Board appointments and making the necessary recommendations. In this respect, the role of the Nomination Committee is detailed in its Terms of Reference, which is accessible for reference on the Group's website at www.cepatgroup.com.</p> <p>In making its recommendations to the Board, the Nomination Committee considers and assess the suitability of a new appointment based on the profile and background of candidate(s).</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 5.6

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 Group's policy on nomination and election process of Board Members provided that a potential candidate for appointment of directors may be proposed by existing director, senior management staff, shareholders or third party referrals.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>In compliance with the Constitution of the Company, one third (1/3) of the directors shall retire by rotation at each Annual General Meeting and that a director who is appointed during the year shall retire at the next Annual General Meeting. The Constitution further provides that all Directors shall retire from office at least once in every three (3) years. The directors retiring during the financial year either under Article 103(a) or retiring under Article 101 of the Company's Constitution, the information of the directors such as their personal profile, record of attendance of meetings and the shareholdings (if applicable) are disclosed in the Annual Report.</p> <p>During the FY2023, the assessment relating to the reappointment of directors were reviewed by the NC and recommended to the Board for approval. Based on the results of the evaluation conducted on their fitness and propriety in line with the Fit and Proper Policy and the annual assessment and evaluation of the Board for the financial year ended 31 December 2023, the Board had recommended the reappointment of director.</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	:	

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	:	
Explanation for departure	:	<p>The Nomination Committee of the Company currently comprises three (3) members, two (2) of which are Independent Non-Executive Directors and the remaining is a Non-Independent Non-Executive Director.</p> <p>The Chairman of the committee is Encik Musanif Bin HJ MD Nen, an Independent Non-Executive Director.</p> <p>The Terms of Reference of the Nomination Committee is available on the Company's website at www.cepatgroup.com</p>
<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	:	

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	:	<ul style="list-style-type: none"> • The Group is supportive of gender diversity reflected in the Board Charter, where the Nomination Committee will consider the required mix of skills, experience and other qualities, and diversity including gender in considering appointment and re-election of the Directors. • Currently, 20% or one out of five of the Board members is a woman. Nevertheless, the Board has 2 female alternate directors 	
<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	:	The Group is supportive of gender diversity reflected in the Diversity policy adopted by the Board which is disclosed on Page 25 to the annual report. The said diversity policy is available at the Group website at www.cepatgroup.com .	
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.

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	<p>: The Nomination Committee will conduct annual assessment on the Board and the Board Committees. The assessment and evaluation are properly documented.</p> <p>The criteria used, amongst others, for the annual assessment of individual Directors includes an assessment of their roles, duties, responsibilities, competency, expertise and contribution whereas for the Board and Board Committees, the criteria used includes composition, structure, accountability, responsibilities, adequacy of information and processes.</p> <p>The evaluation was conducted internally, facilitated by the Company Secretary. The evaluation was conducted using questionnaires that were administered by the Company Secretary which employs a self and peer rating assessment model.</p> <p>The Nomination Committee, upon conclusion of the evaluation exercise, was satisfied that the Board and Board Committee composition had fulfilled the criteria required, possess a right blend of knowledge, experience and the appropriate mix of skills. In addition, there was mutual respect amongst individual Directors which contributed to a healthy environment for constructive deliberation and robust decision-making process. Independent Directors were assessed to be objective in exercising their judgment.</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 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 remuneration policy and procedure can be found at the Company's website at www.cepatgroup.com .	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied.
Explanation on application of the practice	:	The Terms of Reference of Remuneration Committee can be found at the Company's website at www.cepatgroup.com .
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 aggregate remuneration paid or payable to all Directors of the Company for the financial year ended 31 December 2023 is disclosed on pages 27 to 28 of the Annual Report 2023.

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	Tan Sri Dr. Mah	EXECUTIVE DIRECTOR	0	0	315	147	0	56	518	30	70	629	294
2	Dato' Seri Mah King Seng	EXECUTIVE DIRECTOR	0	0	314	147	0	56	517	0	70	629	294	0	112	1,105
3	Directors of Subsidiaries	EXECUTIVE DIRECTOR	0	0	0	0	0	0	0	0	40	630	293	0	-	963
4	Ms. Mah Li-Na	ALTERNATE DIRECTOR	0	0	68	41	0	14	123	0	0	68	41	0	14	123
5	Datuk Chua Kim Yin	NON EXECUTIVE DIRECTOR	54	0	0	0	0	0	54	54	0	0	0	0	0	54
6	Puan Le Nyuk Choon@ Jamilah Ariffin	NON EXECUTIVE DIRECTOR	41	0	0	0	0	0	41	41	0	0	0	0	0	41
7	Encik Musanif Bin Hj Md Nen	NON EXECUTIVE DIRECTOR	41	0	0	0	0	0	41	41	0	0	0	0	0	41
8	Mr Chan Kam Leong	NON EXECUTIVE DIRECTOR	14	0	0	0	0	0	14	14	0	0	0	0	0	14
9	Puan Wan Salmah Binti Wan Abdullah	NON EXECUTIVE DIRECTOR	14	0	0	0	0	0	14	14	0	0	0	0	0	14
10	Directors of Subsidiaries	NON EXECUTIVE DIRECTOR	0	0	0	0	0	0	0	91	0	0	0	0	0	91
	Total		164	0	697	335	0	126	1,322	285	180	1,956	922	0	239	3,582

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	:	Remuneration paid to the three (3) Senior Management who are not Directors of the Company for the financial year ended 31 December 2023 is set out on page 29 of the Annual Report 2023. The remuneration of these three (3) Senior Management of the Company is on an aggregate basis. At this particular juncture, the Board is of the opinion that the disclosure of the Senior Management personnel's names and the various remuneration components (salary, bonus, benefits in-kind, other emoluments) would not be in the best interest of the Group due to confidentiality and security concerns.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Departure.
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 Audit Committee is Puan Lee Nyuk Choon @ Jamilah Ariffin while the Chairman of the Board is Tan Sri Dr Mah King Thian @ Mah King Thiam
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	:	On February 26, 2024, the Group amended the terms of the Audit Committee to include a requirement that any member who previously served as an audit partner of the Group's auditors must observe a cooling-off period of at least three (3) years before being eligible for appointment as a member of the Audit Committee.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 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 Board has established policies and procedures on 2013 to assess the suitability and independence of the external auditors and the Audit Committee had at the meeting held on 26 February 2024 assessed the suitability and independence of the external auditors based on the criteria set forth in the policy and procedure.</p> <p>In its assessment, the Audit Committee considered several factors, which included adequacy of experience and knowledge of the relevant accounting standards, ability to meet deadlines, quality and quantity of human resources used to perform the assigned audit, clarity of presentations and quality of reports produced and independence of PFK.</p> <p>PKF confirmed that they have been independent in accordance with the By-laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants, throughout their written confirmation via Audit Planning Memorandum presented to the Audit Committee at a meeting held on 16 November 2023.</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 :	
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	:	All members of the Audit Committee are professional in their area of expertise such as laws, agriculture and management. They are all financially literate. An update on the training programme and Seminars attended by the Directors set out on page 26 of the Annual report.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied.
Explanation on application of the practice	:	<p>The Board has established an ongoing process for identifying, evaluating and managing significant risks faced by the Group. This ongoing process which includes updating the system of internal controls when there are changes in the business environment or regulatory guidelines is reviewed by the Board.</p> <p>A formal risk management framework has been established to ensure that structured and consistent approach and methods are practised in the ongoing process of identifying and assessing various critical risks that are considered likely to affect the profitable operation of the business units in the Group. These include operational risk, market risk, legal risk and environmental risk.</p> <p>Details of the Group's Risk Management and Internal Control Framework are set out in its Statement on Risk Management and Internal Control, which is on 50 to page 52 of the Company's Annual Report 2023.</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	:	Details of the features of risk management and internal control framework, and the adequacy and effectiveness of this framework are contained in the Statement of Risk Management and Internal Control which is on page 50 to page 52 of the Company's Annual Report 2023.	
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	:	Departure.
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 Audit Committee is responsible for reviewing the adequacy of the scope and plan of the internal audit function, as well as the findings identified by this function. During the year, KPMG Management & Risk Consulting Sdn. Bhd. was outsourced to perform the internal audit function and reports directly to the Audit Committee.</p> <p>The Audit Committee carefully considers and discusses the audit plan with the Board to determine the scope of work covered by the internal audit function. Observations made by the internal audit team are presented to the Audit Committee, along with management's response and proposed action plans for review. Subsequent internal audits follow up on these action plans and report on the status of their implementation to the Audit Committee.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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>The Group outsourced its internal audit function KPMG Risk Management & Consulting Sdn. Bhd.</p> <p>The role of the internal audit function, which reports directly to the Audit Committee, is to support the Audit Committee by providing it with independent and objective reports on the adequacy and effectiveness of the system of internal control and the extent of compliance with the procedures and by recommending ways to rectify shortfall and improve the existing control environment in relation to the Group’s operations. It submits its findings and recommendations to the Audit Committee and senior management of the Group.</p> <p>The Internal Audit adopts a risk-based approach with focus on effective risk management practices and is guided under International Professional Practices Framework.</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 Company has implemented a shareholder communications policy to ensure effective communication with its shareholders and other stakeholders.</p> <p>Communication between the Company and its shareholders are done in the following manner:</p> <p>a. Dialogue between Companies and Investors</p> <p>The annual report, quarterly reports and various mandatory announcements are the main channel of information by the Company of its financial performance, operations and corporate developments.</p> <p>The Company's website at www.cepatgroup.com contains vital information concerning the Group which is updated on a regular basis and shareholders are able to put questions to the Company through the website.</p> <p>The Board considers it essential that investors are kept informed of all the latest financial result and developments of the Company and where appropriate, will provide disclosure that is in the best interest of the Company and also of the shareholders. All such reporting information can be obtained from the websites of the Company and Bursa Malaysia Securities Berhad.</p> <p>b. The Annual General Meeting</p> <p>The Annual General Meeting is an important event for the Company as the Board has the opportunity to have a dialogue with the shareholders to present the results and performance of the Group and to address all questions that may arise. Suggestions and comments by shareholders will be noted by the Board for 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

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	:	Departure.	
Explanation on application of the practice	:	The Company is not categorised as a "Large Company" and hence has not adopted integrated reporting based on a globally recognised framework.	
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	:	The Notice of 23 rd Annual General Meeting was issued on 20 April 2023 and the date of Annual General Meeting was fixed at 23 May 2023, the notice was issued more than 28 days prior to the intended meeting date.
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	:		
Explanation for departure	:	The last Annual General Meeting on 23 May 2023 was attended by all the directors.	
<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	:	As our last AGM was held physically on 23 May 2023, the practice of leveraging technology for remote participation and electronic voting wasn't applicable. However, we acknowledge the importance of embracing technology for future meetings to enhance shareholder engagement. While we didn't utilize technology in the last AGM, we remain committed to exploring its use for remote participation and electronic voting in upcoming meetings.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company’s financial and non-financial performance as well as the company’s long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

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	:	<ul style="list-style-type: none"> • The Board actively encourages shareholder participation in general meetings by inviting them to raise queries or provide feedback, fostering an environment of open dialogue and engagement. • During general meetings, both the Board and management teams prioritize addressing shareholder queries in a timely and comprehensive manner, ensuring that all questions receive meaningful responses. • Measures such as dedicating sufficient time for Q&A sessions, facilitating transparent discussions on financial and non-financial performance, and articulating the company's long-term strategies contribute to fostering interactive and engaging general meetings. • The Board remains committed to creating opportunities for robust discussion and dialogue between shareholders, the Board, and senior management, aiming to empower shareholders to make informed voting decisions and actively participate in shaping the company's future.
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	:	

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	:	Departure.
Explanation on application of the practice	:	
Explanation for departure	:	As our last AGM was conducted physically on 23 May 2023, the practice regarding virtual or hybrid meetings did not apply. However, we prioritize shareholder engagement by ensuring ample opportunity for questions and transparent responses during the meeting. We also encourage ongoing communication outside of AGMs through various channels.
<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.

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 Annual General Meeting was uploaded to the Company website at www.cepatgroup.com less than 30 days after the Annual General Meeting.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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

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

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