

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 0072  
**COMPANY NAME** : ERDASAN GROUP BERHAD  
**FINANCIAL YEAR** : September 30, 2025

## OUTLINE:

### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

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

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

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

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

### Intended Outcome

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

### Practice 1.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Directors ("the Board") of Erdasan Group Berhad ("Erdasan") is collectively responsible in establishing the objectives, provides strategic direction to the Group in achieving its business plan and overseeing the conduct, performance and internal controls of the Group's business activities as well as reviewing of financial and operating performance of the Group. These include determining some of the key strategies, financial and organizational matters such as approval of interim results and annual audited financial statements, significant acquisition and disposal, major capital expenditures and long-term strategic planning including strategies on economic, environmental and social considerations unpinning sustainability for the Group.</p> <p>In discharging its stewardship, the Board is constantly mindful of safeguarding the interests of the Group's stakeholders and is ultimately responsible for the performance of the Group.</p> <p>To ensure the effective discharge of its function and duties, the principal responsibilities of the Board include the following specific areas:</p> <ol style="list-style-type: none"><li>i. Reviewing and adopting strategic plans for the Group;</li><li>ii. Overseeing the conduct of the Group's business to evaluate whether the business is being properly managed;</li><li>iii. Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;</li><li>iv. Succession planning including appointing, training, fixing the compensation of and, where appropriate, replacing senior management;</li><li>v. Developing and implementing an investor relation programme or shareholder communication policy for the Company;</li><li>vi. Reviewing the adequacy and the integrity of the Group's internal control systems and management information systems including systems for compliance with applicable laws, regulations, rules, directives and guidelines; and</li></ol>

	vii. Setting the sustainability strategies and overseeing the overall sustainability performance of the Group.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	<p>The roles and responsibilities of the Chairman are set out in the Board Charter, which is available on the Company's website at <a href="http://www.erdasan.com.my">www.erdasan.com.my</a>.</p> <p>Currently, the Executive Director ("ED") assumes primary responsibility for the management of the Group's operations and resources. The ED provides effective leadership to the Board, while being supported by the Company Secretaries and guided by the views of the Independent Directors, who provide the necessary checks and balances in the Board's decision-making process. The ED promotes sound governance practices by ensuring that all directors' views are duly considered, adequate time is allocated for the discussion of each agenda item, and all directors are given a fair opportunity to participate actively and constructively in Board meetings and deliberations.</p> <p>The Board will continue its efforts to identify and appoint a suitable candidate to assume the role of Chairman of the Company.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The responsibilities of the Chairman and CEO/Executive Directors are separated and are set out in the Board Charter which is available on the Company's website at <a href="http://www.erdasan.com.my">www.erdasan.com.my</a> .	
		The Board would endeavour to identify suitable candidate to be appointed as Chairman of the Company, taking into consideration the recommended practice of the Malaysian Code on Corporate Governance.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	Following the resignation of Dato' Nik Ismail Bin Dato' Nik Yusoff on 27 May 2025, the position of Chairman has been vacant. The Executive Director assumes the responsibility for leading the Board and managing the Group's operations.  The Chairman of the Audit and Risk Management Committee, Nominating Committee and Remuneration Committee is Mr. Tan Lay Chee, an Independent Non-Executive Director. He is not the Chairman of the Board.
<b>Explanation for departure</b>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is supported by professionally qualified and competent Company Secretaries, namely, Ms. Adeline Tang Kong Ling and Ms. Wong Yuet Chyn. Both are qualified to act as company secretary under Section 235(2) of the Companies Act 2016.</p> <p>The Board is regularly apprised and advised by both Company Secretaries on statutory and regulatory requirements as well as pertinent governance matters. In discharging their role as counsels to the Board, the Company Secretaries also ensure timely supply of information and meeting materials, organising and facilitating the convening of board meetings, meetings of the board committees, general meetings, in consultation with the Chairman, recording of meeting minutes and resolutions of the Board and Board Committees. The Company Secretaries also serve as a focal point for stakeholders' communication and engagement on corporate governance issues.</p> <p>The Company Secretaries constantly keep themselves abreast of changes in the realm of corporate governance through continuous professional development. During the year under review, they attended pertinent internal and external trainings on changes in regulatory requirements.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Notice of meetings setting out the agenda and accompanied by the relevant Board papers are distributed via email and/or other channels one (1) week in advance, so as sufficient time given to the Directors to review, seek additional information and/or clarification on the matters to be deliberated at Board meetings. Regular Board meetings are held on a quarterly basis and ad hoc Board meetings will be held as and when required.</p> <p>Materials for Board meetings are securely protected by password and emailed directly to Directors for their review at their convenience.</p> <p>The minutes of meetings are prepared and circulated to all the Directors for review and approval.</p> <p>Fundamental questions raised and key points discussed during the meeting were recorded, including declaration of interest of the directors or any abstention on any resolution by the directors.</p> <p>The minutes would be confirmed by the Board at the next meeting and signed by the Chairman of the meeting.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The responsibilities and functions reserved for the Board and those delegated to the Management were clearly defined in the Board Charter. It also provides a basis to the Board in assessing its own performance and that of its individual Directors.</p> <p>The Board Charter is available under the Corporate Governance segment of the Company's website at <a href="http://www.erdasan.com.my">www.erdasan.com.my</a>.</p> <p>The Board Charter is subject to periodic review and to reflect changes to the Company's policies, procedures and processes as well as changes to the legislation and regulations whenever necessary.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board establishes a Code of Conducts for the Group which provides guidance to Directors and employees to help them recognise and deal with ethical issues and provides mechanisms to report unethical conducts and helps foster a culture of honesty and accountability.</p> <p>The Code of Conducts covers the following areas:</p> <ul style="list-style-type: none"><li>• Compliance with the law and relevant rules and regulations;</li><li>• Safety, Occupational Health and Environment;</li><li>• Religious / Racial / Sexual Discrimination;</li><li>• Fair and courtesy inter-personal conduct;</li><li>• Dishonesty, misconduct and corrupt practices;</li><li>• Confidentiality of information;</li><li>• Safeguarding the Company's properties;</li><li>• Company's funds and business records;</li><li>• Intellectual Properties Rights;</li><li>• Conflict of interest;</li><li>• Giving and receiving gifts and gratuities;</li><li>• Preventing corruption and offering a bribe;</li><li>• Insider trading; and</li><li>• Money laundering.</li></ul> <p>The principles of the Code of Conducts are based on sincerity, integrity, responsibility and corporate social responsibility and it is periodically reviewed by the Board to ensure it remains relevant.</p> <p>In line with the corporate liability provision under Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Board has put in place an Anti-Corruption and Anti-Bribery Policy which sets out rules and providing guidance to Directors and employees who work for and/or act for or on behalf of the Group, on how to deal with improper solicitation, requests for bribes and other corrupt activities and issues that may arise in the course of business.</p>

	<p>In order to ensure the scope, policies, procedures and control of the Anti-Corruption and Anti-Bribery Policy match to the bribery and corruption risks faced by the Group, regular assessment of the anti-bribery management are carried out and the result of corruption risk assessments will be reviewed by the Audit and Risk Management Committee and the Board to ensure the continuity and effectiveness of the Anti-Corruption and Anti-Bribery Policy, and all related policies and procedures which embedded within the Group.</p> <p>The Code of Conducts and the Anti-Corruption and Anti-Bribery Policy are made available and can be accessed under the Corporate Governance segment of the Company's website at <a href="http://www.erdasan.com.my">www.erdasan.com.my</a>.</p>	
<b>Explanation for departure</b>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>		
<b>Timeframe</b>		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board establishes a Whistleblowing Policy which seeks to contribute to an environment where a high standard of integrity, accountability and ethical behaviour are maintained in the conduct of the Group's businesses and operations.</p> <p>The Whistleblowing Policy provides an avenue to voice genuine concerns of any suspected wrongdoings, business misconduct and malpractices impacting the interest of the Group.</p> <p>The Chairman of the ARMC is committed to investigate and address all reported cases, if any and recommend action to be taken by the Board. From time to time, the human resource department provides internal circulations on Code of Conducts, Whistleblowing Policy, Anti-Bribery and Anti-Corruption Policy, together with any updates thereon.</p> <p>During the Financial Period Ended 30 September 2025 ("FPE 2025"), the Company received a whistleblowing report from a former employee alleging misconduct involving a former executive director, which was also reported to the Malaysian Anti-Corruption Commission ("MACC"). Following this, a special Board meeting was convened to hear and discuss the matter. Based on the findings and deliberations, the Company initiated legal action against the former Executive Director. An Extraordinary General Meeting ("EGM") was subsequently convened, at which the said former Executive Director was removed.</p> <p>The Board and the ARMC remain committed to ensuring that all whistleblowing reports are treated seriously, investigated promptly and handled with appropriate confidentiality and fairness.</p> <p>The Whistleblowing Policy is made available and can be accessed under the Corporate Governance section of the Company's website at <a href="http://www.erdasan.com.my">www.erdasan.com.my</a>.</p>
<b>Explanation for departure</b>	:	

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

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The governance responsibilities of the Board in respect of sustainability issues include but not limited to:</p> <ul style="list-style-type: none"><li>i. identify and priorities sustainability.</li><li>ii. include sustainability as part of Board agenda in risk management process.</li><li>iii. define and agree on criteria to access feasibility of sustainability projects and initiatives.</li><li>iv. approve budget for sustainability initiatives.</li><li>v. set management key performance indicators (“KPIs”) on sustainability.</li><li>vi. formalize sustainability reporting and communicate sustainability targets and metrics to stakeholders; and</li><li>vii. review result of assurance with management and identify areas for improvements.</li></ul> <p>whereas, the main responsibilities of the Management in sustainability management include ensuring alignment of Group’s sustainability initiatives with the Company’s overall strategy; identifying resources that are essential to achieve sustainability goals, clearly define persons-in-charge and their roles and responsibilities; updating job descriptions and key performance index; assessing feasibility of sustainability projects; reviewing key sustainability initiatives and recommend improvements; and reporting and recommending to the board on the course of action needed promote sustainability in business.</p>
<b>Explanation for departure</b>	:	

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

<b>Measure</b> :		
<b>Timeframe</b> :		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board takes into consideration the economic, environmental, social and governance aspects when developing the Group’s strategies.</p> <p>In this respect, the Company is committed to continuously:</p> <ul style="list-style-type: none"> <li>i. Improving the health and safety at the workplace.</li> <li>ii. Encouraging talent training and development.</li> <li>iii. Ensuring compliance with regulatory requirements as well as maintaining international quality certificates and accreditations achieved with various certification bodies.</li> <li>iv. Reducing environment damages to the minimum.</li> <li>v. Improving efficiency of materials, water, power and papers usages and reducing and recycling wastages,</li> <li>vi. Practicing ethical and fair business principles and approaches.</li> <li>vii. Strengthening relationships with the surrounding communities through various form of charitable causes; and</li> <li>viii. Improving green energy initiatives via maintaining the solar photovoltaic plants</li> </ul>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board focuses on the sustainability issues relevant to the Company’s business and discusses the issues at the board meetings when necessary.</p> <p>To ensure the Board remains informed and able to discharge its oversight responsibilities effectively, Board members are encouraged to attend relevant training programmes, seminars or briefings on sustainability, ESG and climate-related matters from time to time. These programmes enable the Board to stay abreast of emerging sustainability trends, regulatory developments and best practices.</p> <p>During the FPE 2025, certain Board members and key management personnel attended ESG-related training to enhance their understanding of sustainability issues relevant to the Company’s business and operations.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board takes into consideration sustainability matters, including material sustainability risks and opportunities, as part of the performance evaluation of the Board and senior management, where relevant.</p> <p>The evaluation focuses on the extent to which the Board and senior management demonstrate awareness of sustainability-related issues and how such matters are identified, discussed and addressed at Board meetings when necessary. Senior management’s role in managing these matters within their respective areas of responsibility is also taken into account.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Nominating Committee ("NC") oversees the overall composition of the Board in terms of size, mix of skills, experience and core competencies, as well as the balance between Executive Directors, Independent Non-Executive Director and Non-Independent Non-Executive Directors.</p> <p>The effectiveness of the Board as a whole and the contribution of each Director to the effectiveness of the Board and the contribution of the Board's various committees are assessed on an annual basis.</p> <p>The annual re-election of retiring Directors has been contingent on satisfactory evaluation of the retiring Directors' performance and contribution to the Board.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>As at the issuance of the Corporate Governance report, the Board comprises of six (6) members, of whom three (3) are Independent Non-Executive.</p> <p>The presence of Independent Directors provide necessary checks and balances on the Board's decision-making process through objective participation in Board deliberations and the exercise of unbiased and independent judgement, taking into account the interest of the Group, stakeholders and shareholders including minority shareholders.</p> <p>The Independent Directors are not involved in the day-to-day business conduct of the Company, and do not have any other relationship with the Company (other than those permitted by the applicable regulations) which could materially interfere with the exercise of their independent judgement.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	At present, the tenure of existing Independent Non-Executive Directors on Board does not exceed a cumulative term of nine (9) years.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<i>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.</i>	
<b>Application</b> :	Not Adopted
<b>Explanation on adoption of the practice</b> :	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group practices non-discrimination in any form, whether based on age, gender, ethnicity or religion, throughout the organisation. This includes the selection of Board members and senior management. The appointment of Board members and senior management are based on objective criteria, merit and besides gender diversity, due regard are placed for diversity in skills, experience, age, and cultural background. The appointment of senior management is also based on predetermined criteria of skill sets and leadership qualities, driven by their respective job descriptions.</p> <p>The Board is currently made up of members with a mix of skill sets, knowledge and experience (e.g. manufacturing solutions, accounting, finance, marketing, and business management), cultural background and age.</p> <p>The Board recognises a diverse Board in the Company could offer greater depth and breadth compared to non-diverse Board whilst the diversity at senior management will lead to better decisions. The Board would also ensure that the Directors appointed will devote sufficient time to carry out their responsibilities. The Directors appointed are expected to have active participation in meetings of the Board and the Board's committees of which he/she is a member, and not have other personal or professional commitments that would interfere with or limit his/her ability to do so.</p> <p>To ensure that Directors are able to devote the required time to serve the Board effectively, Directors are required to notify the Chairman of the Board, Chairman of Nominating Committee and the Company Secretary including an indication of time that will be spent on the new appointment before accepting any new directorship in public listed companies.</p> <p>The Company also adopted a Fit and Proper Policy for Directors in ensuring that they are of high calibre, have sound judgement, high integrity and credibility on a continuing basis.</p>

	The Directors' Fit and Proper Policy is available on Company's website at <a href="http://www.erdasan.com.my">www.erdasan.com.my</a> .	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The primary responsibility of screening, evaluating and nominating new Board member(s) for an appointment is delegated to the NC. In respect of the appointment of Directors, the Company practises a clear and transparent nomination process which involves the following five stages:</p> <p>Stage 1: Identification of candidates            Stage 2: Evaluation of the suitability of candidates            Stage 3: Meeting up with candidates            Stage 4: Final deliberation by the NC            Stage 5: Recommendation to the Board</p> <p>The identification of candidates for the appointment of Directors is facilitated through recommendations from the Directors, Management or external parties including the Company's contacts in related industries, finance, legal and accounting professions.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The performance of retiring Directors who are recommended for re-election at the forthcoming Annual General Meeting (“AGM”) would be assessed through the Board annual evaluation (including the independence of Independent Non-Executive Director, if any). A statement by the Board and Nominating Committee being satisfied with the performance and effectiveness of the retiring Directors who offer themselves for re-election at the AGM was stated in the notes accompanying the Notice of AGM.</p> <p>The profile of the Directors who are due for retirement and eligible for re-election, which includes the nature of interest with the Company, if any, are set out in the Annual Report 2025 of the Company.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

### Intended Outcome

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

### Practice 5.8

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The NC is chaired by Mr. Tan Lay Chee, an Independent Non-Executive Director of the Company.  The profile of Mr. Tan Lay Chee is set out in the Directors' Profile of the Annual Report 2025.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	<p>At the date of this report, the Board comprised six (6) Directors, of whom one (1) is female director, representing 16.67% of the total composition of the Board.</p> <p>The Board acknowledges the benefits of board diversity, including age, gender and ethnic diversity to the effective functioning of the Board. Nevertheless, when considering new appointment to the Board, the NC and the Board will evaluate the suitability of candidates solely for the needs of the Company based on a set of criteria, including candidates' experience, competency, character, time commitment, integrity and potential contribution to the Company with the primary aim of selecting the best candidate(s) to support the achievement of the Company's strategic objectives. Such evaluation criteria are not limited by the age, gender, and ethnicity of the proposed new director for appointment to the Board.</p>	
		<p>The NC will continue take steps to identify additional female candidates and the Board affirmed that in the event any board seat becomes available, gender diversity shall be one of the criteria to be considered by the NC during their evaluation process on potential candidate(s) for Board's membership.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Currently, the Company has not set specific policies on gender diversity for the Board and senior management.	
		Despite the Company has not set specific policies on gender diversity, the Company strives to work towards achieving the appropriate diversity for the board and senior management and promote diversity, inclusivity and equality regardless of gender, race and sexual orientation to encourage different groups of people to build positive relationships at the workplace.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

## Intended Outcome

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

### Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <b><u>Annual Assessment on Effectiveness of Board and Individual Directors</u></b>  The Board has delegated to the NC to carry out annual assessment on effectiveness of the Board, its Committees and each individual Director.  In FPE 2025, the NC conducted the following annual assessments:-  i) Directors' self and peers performance evaluation The evaluation forms were circulated to every Director for completion. The Directors were required to assess his own performance, as well as the performance of his peers based on the questionnaire provided. The evaluation results were compiled by the company secretaries and tabulated at the NC Meeting held in May 2024, May 2025 and November 2025, for the NC's review.  In conducting the evaluation, the NC had assessed the performance of each individual Directors based on the following main criteria:- <ul style="list-style-type: none"><li>• Fit and proper;</li><li>• Contribution and performance; and</li><li>• Calibre and personality.</li></ul> Based on the outcome of the evaluation conducted in FPE 2025, the NC was satisfied with the performance of the individual Directors for FPE 2025.  ii) Evaluation on the effectiveness of the Board and Board Committees  The evaluation forms were completed by the members of the NC on individual basis. The evaluation results were compiled by the company secretaries and tabulated at the NC Meeting held in May 2024, May 2025 and November 2025, for the NC's review.

In conducting the evaluation, the NC had assessed the performance and effectiveness of the Board and Board Committees based on the following main criteria:-

Board as a whole

- Board mix and composition;
- Quality of information and decision making;
- Boardroom Activities;

Board Committees' Performance

- Mix and composition;
- Roles and responsibilities;
- Contribution to Board's decision making; and
- Communication.

The NC was satisfied with the effectiveness of the Board and Board Committees for FPE 2025 and acknowledged that the Board of Directors and Board Committees had discharged their duties.

#### **Annual Assessment on Independence of Directors**

The criteria used in assessing the independence of the INEDs are based on the definition in Rule 1.01 of the ACE LR and whether the INEDs are able to provide objective and independent views on various issues dealt with at Board and Board Committee level.

The NC had received assurance from the following INEDs vide their Letters of Declaration, confirming their independence and have undertaken to inform the Company immediately should there be any change which could interfere with the exercise of their independent judgement or ability to act in the best interest of the Company:-

- Mr. Tan Lay Chee
- Mr. Ling Chi Hoong
- Mr. Lee Lisa

Based on the outcome of the abovementioned assessment conducted by the NC for FPE 2025, the Board was satisfied with the level of independence demonstrated by the INEDs and their ability to act in the best interest of the Company.

The Board considers that its Independent Directors provide objective and independent views on various issues dealt with at the Board and Board Committee level. All INEDs are independent and free from management. The Board is of the view that the current composition of Independent Directors fairly reflects the interest of minority shareholders in the Company through the Board representation.

	<p><b>Assessment on Retiring Directors</b></p> <p>The NC is responsible for making recommendation to the Board on the eligibility of the Directors to stand for re-election at the AGM.</p> <p>During FPE 2025, the NC conducted assessment on Dr. Ch'ng Huck Khoon and Mr. Tan Lay Chee who would retire by rotation at the 21<sup>st</sup> AGM of the Company held in 2026 pursuant to Clause 131 of the Constitution of the Company.</p> <p>The NC also conducted assessment on Datuk Chong Loong Men, Mr. Chou Sing Hoan, Mr. Ling Chi Hoong and Ms. Lee Lisa who would retire at the 21<sup>st</sup> AGM of the Company held in 2026 pursuant to Clause 136 of the Constitution of the Company.</p> <p>Upon review, the NC was satisfied with the performance of the abovementioned retiring Directors and recommended to the Board on their re-election at the 21<sup>st</sup> AGM.</p>	
<p><b>Explanation for departure</b></p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>		
<p><b>Timeframe</b></p>		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has formalised a Remuneration Policy with the intention of supporting the Company's long-term objectives and creating a strong performance-oriented environment to be able to attract, motivate, and retain high performing Directors and senior management.</p> <p>Broadly, the Directors' remuneration packages are structured in accordance with their level of expertise, knowledge and level of contribution to the Company. Besides, benchmarking against the market competitiveness is conducted in designing the Directors' remuneration package.</p> <p>The remuneration packages of the Executive Directors and senior management are structured based on the responsibilities and aligned with the business strategies. This is to ensure that the long-term objectives of the Company can be achieved, and able to attract, retain and motivate Directors and senior management who are well-equipped with the required skillset in managing the business of the Company effectively and efficiently. Their remuneration packages commensurate with the performance of the individual, skills, experience, responsibilities undertaken as well as their on-going performance against the pre-set KPIs. Review of the existing senior management's remuneration package is under the purview of the Executive Directors which is performed yearly while the employees' performance appraisal/increment review are conducted annually. The Remuneration Committee will include "sustainability" as one of the KPIs of the Executive Directors and senior management moving forward.</p> <p>For Non-Executive Directors, the level of remuneration reflects their experiences, level of responsibilities, time commitment required in attending both the scheduled and special Board meetings as well as the number of memberships assumes on Board Committees. The fees for</p>

	<p>the INEDs are not linked to the financial results of the Company. INEDs are not entitled to any performance bonus.</p> <p>Any review or change to the existing packages will be deliberated upon and approved by the Board as a whole. The Directors will abstain from the deliberation of their own remuneration. The Directors' fees and benefits, which have been reviewed by the RC, are recommended by the Board to the shareholders for approval at the forthcoming AGM.</p> <p>The Remuneration Policy will be reviewed periodically and is made available under the Corporate Governance segment of the Company's website at <a href="http://www.erdasan.com.my">www.erdasan.com.my</a>.</p>	
<p><b>Explanation for departure</b></p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>		
<p><b>Timeframe</b></p>		

### 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.

<b>Application</b>	:	Applied												
<b>Explanation on application of the practice</b>	:	<p>The Board is supported by the RC, of which the members comprise of Non-Executive Directors ("NEDs") with a majority of Independent Non-Executive Directors. The present composition of the RC is as follows:-</p> <table border="1"> <thead> <tr> <th>Name</th> <th>Designation</th> <th>Directorate</th> </tr> </thead> <tbody> <tr> <td>Mr. Tan Lay Chee</td> <td>Chairman</td> <td>Independent NED</td> </tr> <tr> <td>Dr. Ch'ng Huck Khoon</td> <td>Member</td> <td>Non-Independent NED</td> </tr> <tr> <td>Mr. Ling Chi Hoong</td> <td>Member</td> <td>Independent NED</td> </tr> </tbody> </table> <p>The RC reviews and recommends to the Board the remuneration packages of the Executive Directors and senior management pursuant to the Terms of Reference ("TOR") of RC. Whereas for the fee packages of Non-Executive Directors, approval from shareholders shall be obtained.</p> <p>The TOR of RC is available under the Corporate Governance segment of the Company's website at <a href="http://www.erdasan.com.my">www.erdasan.com.my</a>.</p>	Name	Designation	Directorate	Mr. Tan Lay Chee	Chairman	Independent NED	Dr. Ch'ng Huck Khoon	Member	Non-Independent NED	Mr. Ling Chi Hoong	Member	Independent NED
Name	Designation	Directorate												
Mr. Tan Lay Chee	Chairman	Independent NED												
Dr. Ch'ng Huck Khoon	Member	Non-Independent NED												
Mr. Ling Chi Hoong	Member	Independent NED												
<b>Explanation for departure</b>	:													
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>														

<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The details of the remuneration of the Directors received/ receivable from the Group and the Company during the FPE 2025 are appended in the page below.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	DATO' NIK ISMAIL BIN DATO' NIK YUSOFF	Independent Director	77	-	-	-	-	-	77	77	-	-	-	-	-	77
2	CHOONG LEE AUN	Executive Director	-	-	78	6	-	10	94	-	-	684	41	33	87	845
3	MAK SIEW WEI	Executive Director	-	-	66	-	-	8	74	-	9	112	-	-	15	136
4	DR. CH'NG HUCK KHOON	Independent Director	63	-	-	-	-	-	63	63	-	-	-	-	-	63
5	TAN LAY CHEE	Independent Director	72	-	-	-	-	-	72	72	-	-	-	-	-	72
6	DATIN ONG POH LING ABDULAH	Independent Director	63	-	-	-	-	-	63	63	-	-	-	-	-	63
7	CHOU SING HOAN	Executive Director	-	-	30	-	-	4	34	-	-	116	-	-	14	130
8	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
9	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
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 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
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.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Group's senior management includes two (2) Executive Directors and one (1) Managing Director of the Company (of which the detailed remuneration has been disclosed on Practice 8.1 of the CG Report), which subsequently one (1) Executive Director has been removed and one (1) Managing Director has resigned.</p> <p>Whilst for the remaining senior management, their remunerations are not disclosed on a named basis as it may give rise to recruitment and talent retention issue due to the intense competitiveness in the market for calibre senior management in the market as well as confidentiality and sensitivity of the remuneration package. All senior management are remunerated based on their scope of duty and responsibilities, the Group's and individual performance and other criteria as guided by the Group's Remuneration Policy.</p> <p>The total remuneration paid to senior management are made available in Note 29 (C) to the Audited Financial Statements for FPE 2025, which allows shareholders to make an appreciable link between the Company's overall remuneration structure and the Company's performance.</p> <p>Annual performance evaluation of senior management is conducted and measured against the targets set for the year. Adjustments to their remuneration packages (if any) are made based on not only their individual performance and contribution in the preceding year, but also the Company's performance as a whole.</p> <p>The Board ensures that the remuneration of the senior management commensurate with their performance and level of responsibility as well as the demand, complexities and performance of the Company,</p>

	with due consideration to attract, retain and motivating the senior management.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

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

**Intended Outcome**

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

**Practice 8.3 - Step Up**

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

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Chairman of the ARMC, Mr. Tan Lay Chee, is an Independent Non-Executive Director, who is not the Chairman of the Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Terms of Reference of the ARMC requires a former key audit partner to observe a cooling-off period to at least three (3) years before being appointed as a member of the ARMC.</p> <p>For the FPE 2025, the Company does not have any former key audit partner that has been appointed to the ARMC.</p> <p>The Terms of Reference of ARMC was published in the Company's website under Corporate Governance segment at <a href="http://www.erdasan.com.my">www.erdasan.com.my</a>.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The ARMC has policies and procedures to assess the suitability, objectivity and independence of external auditors and that such assessment would be carried out annually. The outcome of the assessment would form a basis for the ARMC in making recommendation to the Board on the re-appointment of the external auditors for the ensuing year at the AGM.</p> <p>During FPE 2025, the ARMC has carried out the annual assessment and in its assessment, the ARMC considered, inter alia, the following factors:</p> <p>-</p> <p>For "suitability" assessment: -</p> <ul style="list-style-type: none"><li>• The external auditors have the adequate resources, skills, knowledge and experience to perform their duties with professional competence and due care in accordance with approved professional auditing standards and applicable regulatory and legal requirements;</li><li>• To the knowledge of the ARMC, the external auditors do not have any record of disciplinary actions taken against them for unprofessional conduct by the Malaysian Institute of Accountants ("MIA") which has not been reserved by the Disciplinary Board of MIA;</li><li>• The external auditors firm advises the ARMC on significant issues and new developments pertaining to financial reporting standards and internal controls on a timely basis;</li><li>• The external auditors firm consistently meets the deadlines set by the Group; and</li><li>• The external auditors' scope is adequate to cover the key financial and operational risks of the Group.</li></ul>

	<p>For “objectivity” assessment: -</p> <ul style="list-style-type: none"> <li>• The nature and extent of the non-audit services rendered and the appropriateness of the level of fees.</li> </ul> <p>For “independence” assessment: -</p> <ul style="list-style-type: none"> <li>• The engagement partner has not served for a continuous period of more than five (5) years with the Company;</li> <li>• The ARMC receives assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements; and</li> <li>• Tenure of the current auditors.</li> </ul> <p>The ARMC noted for the FPE 2025, Messrs. Morison LC PLT, the external auditors of the Company confirmed that the members of the engagement team in the course of their audits were and had been independent for the purpose of the audit in accordance with the terms of relevant professional and regulatory requirements.</p> <p>Upon completion of its assessment, the ARMC was satisfied with Messrs. Morison LC PLT’s technical competency i.e. suitability and independence during the financial period under review and recommended to the Board the re-appointment of Messrs. Morison LC PLT as external auditors for the financial year ending 30 September 2026. The Board has in turn, recommended the same for shareholders’ approval at the forthcoming AGM of the Company.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>

**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.

<b>Application</b> :	Not Adopted
<b>Explanation on adoption of the practice</b> :	

### 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The members of ARMC are financially literate and possess a mix of skills, knowledge and experience to enable them to discharge their duties and responsibilities. An annual self and peer evaluation of ARMC is carried out and reviewed by the NC.  Trainings attended by ARMC members during FPE 2025 is disclosed in the Corporate Governance Overview Statement in the Annual Report 2025.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board had established a structured Enterprise Risk Management ("ERM") framework that outlines the Group's risk management system, defines Management's responsibilities and sets out risk appetite of the Group. Such framework assists the Board to actively identify, analyse, evaluate, manage, monitor and report the key business risks faced by the Group.</p> <p>The Group's internal audit function has been outsourced to an independent professional firm which reports directly to the ARMC. The scope of work covered by the internal audit function during the financial year under review is stipulated in Page 54 of the Annual Report 2025.</p> <p>Processes are put in place to ensure that the full risk management assessment includes a comprehensive risk management framework that identifies and locates specific risks within a risk matrix. The risk matrix act as a guideline in prioritising those identified risk based on the likelihood and potential impact of each risk to the operations of specific divisions and the Group in general and where necessary, set out actions to be taken by the Group to mitigate the risks that were identified.</p> <p>The review of the adequacy and integrity of the Group's risk management and internal controls system is an on-going process, which shall be done in accordance with the Group's business objectives. Such review has been embedded in all aspects of the Group's activities which was designed to manage risks that may impede the achievement of the Group's business objective within an acceptable risk appetite rather than to eliminate these risks.</p> <p>Risk identification and mitigation strategies are developed by the Group's ERM consultants in consultation with senior management. These are in turn provided by the ERM consultants to the ARMC for their review, analysis and approval.</p> <p>Please refer to the Directors' Statement on Risk Management and Internal Control of the Company in pages 56 to 58 of the Annual Report 2025 for further information.</p>

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

### 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board recognised the importance to maintain a sound risk management framework and system of internal control throughout the Group.</p> <p>Through ARMC, the Board is responsible for identifying, evaluating, managing, monitoring and mitigating significant risks across the Group. The ARMC, also assists the Board to fulfil its responsibilities pertaining to the risk governance and risk management in order to manage the overall risk exposure of the Group.</p> <p>The ARMC reviews and recommends for the Board’s consideration and approval, the risk management principles, frameworks and policies which place importance of balancing between risk and reward in making strategic business decision with the objective of safeguarding the shareholders’ investment and the Group’s assets.</p> <p>The Directors’ Statement on Risk Management and Internal Control in the Annual Report 2025 outlines the Group’s risk management framework and its state of internal control.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b> :	Not Adopted
<b>Explanation on adoption of the practice</b> :	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has outsourced its internal audit function to an independent professional firm of consultant, namely Finfield Corporate Services Sdn. Bhd., who reports directly to the ARMC. The outsourced internal audit function is independent of the activities and operations of the Group.</p> <p>An independent assessment on the internal control system of the Group was carried out by the Internal Auditors and opinion was given by the Internal Auditors in regard to the adequacy, efficiency and effectiveness of the internal control system and procedures in the business units within the Group as well as the extent of compliance with the Group's established policies, procedures and guidelines.</p> <p>To ensure that the responsibilities of Internal Auditors are fully discharged, the ARMC reviews:</p> <ol style="list-style-type: none"><li>The adequacy of the scope, competency, experience and resources of the internal audit function and that it has the necessary authority and resources to carry out its work;</li><li>The internal audit plan and processes, results of the internal audit assessment, investigations undertaken and whether or not appropriate action is taken on the recommendations for improvements;</li><li>The adequacy and effectiveness of the internal control system and the efficiency of the Group's operations and efforts taken to reduce the Group's financial, operational, controls and compliance risks;</li><li>Major audit findings, reservations or material weaknesses and the Management's response and actions taken to resolve the audit issues reported during the year and other activities as authorised by the Board;</li><li>The appointment or re-appointment of the Internal Auditors and their remuneration and if appropriate, to recommend to the Board for approval; and</li><li>The annual performance assessment of Internal Auditors including their suitability, objectivity and independence.</li></ol>
<b>Explanation for departure</b>	:	

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

<b>Measure</b> :		
<b>Timeframe</b> :		

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All Internal Auditors are free from any relationships or conflicts of interest and that they perform audit assignments with impartiality, proficiency and due professional care.</p> <p>The Group’s outsourced Internal Auditors, namely Finfield Corporate Services Sdn. Bhd. (“Finfield”) has three (3) personnel with relevant qualifications and/or experience in internal auditing.</p> <p>Finfield’s engagement director in charge of the Group’s internal audit is Mr. Tan Yen Yeow, a Professional Member of the Malaysian Institute of Accountants and The Institute of Internal Auditors Malaysia.</p> <p>During the financial period ended 30 September 2025, the internal audit of the Group was carried out in accordance with a risk-based audit plan (prepared in accordance with International Standards for the Professional Practices Framework) approved by the Audit and Risk Management Committee. The scope of internal audit is decided and agreed upon after having considered the risk profiles of each business units of the Group.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the importance of keeping the shareholders informed and updated of development concerning the Group. In this regard, the Group strictly adheres to the disclosure requirements of Bursa Securities. The Group practices open communication with its investors.</p> <p>In order to maintain its commitment of effective communication with shareholders, the Group embrace the practice of comprehensive, timely and continuing disclosures of information to its shareholders as well as the general investing public.</p> <p>The Company's website at <a href="http://www.erdasan.com.my">www.erdasan.com.my</a> incorporates an Investor Relations section which provides all relevant information on the Company accessible to the public. This section enhances the Investor Relations function by including all announcements made by the Company and its annual reports.</p> <p>The quarterly financial results are announced via Bursa LINK after the Board's approval. This is important in ensuring equal and fair access to information by the investing public.</p> <p>In addition to the dissemination of information to shareholders and other interested parties via announcements to Bursa Securities, its website, circulars and press releases, the Board is of the view that the annual and any extraordinary general meetings as ideal opportunities to communicate with shareholders. The Chairman and other Board members together with the senior management and the Company's External Auditors are also present at the AGM to respond to shareholders' concerns and queries.</p>
<b>Explanation for departure</b>	:	

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

<b>Measure</b> :		
<b>Timeframe</b> :		

**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.

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

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board regards the AGM and other general meetings as an opportunity to communicate directly with shareholders.</p> <p>The notice of the AGM was circulated to the shareholders at least twenty-eight (28) days before the date of AGM, well in advance of the 21-day requirement under the CA 2016 and ACE LR of Bursa Securities. This allows shareholders sufficient time to peruse the Annual Report and information relating to the resolutions proposed.</p> <p>The Notice of AGM which outlines the resolutions to be tabled during the AGM, is accompanied with detailed explanatory notes and background information where applicable to provide particulars on the matters that will be decided at the AGM. This information would help the shareholders in understanding and evaluating the matters involved, and making informed decisions in exercising their voting rights.</p> <p>The 20<sup>th</sup> AGM of the Company was conducted on a virtual basis on 24 September 2024. The Notice of the 20<sup>th</sup> AGM was issued and made available on the Company's website and a nationally circulated newspaper on 31 July 2024, which is more than 28 days before the AGM.</p> <p>The 21<sup>st</sup> AGM is scheduled to be held on 27 March 2026 with the Notice of AGM to be issued on 30 January 2026, giving the shareholders more than 28 days' notice. In order to achieve the widest possible dissemination, the Company also published the notice of the 21<sup>st</sup> AGM on the Bursa Securities's website, Company's website and a nationally circulated newspaper.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The 20<sup>th</sup> AGM was conducted on a fully virtual basis on 24 September 2024 via live streaming from the broadcast venue, utilising Remote Participation and Voting (“RPV”) facilities operated by InsHub Sdn. Bhd. in Malaysia. The virtual AGM enabled shareholders to participate remotely, submit questions in real time through typed text, and engage with the Chairman and the Board during the meeting.</p> <p>All Directors, company secretary, management team and External Auditors attended the 20<sup>th</sup> AGM.</p> <p>During the 20<sup>th</sup> AGM, questions which were raised by the Minority Shareholders Watch Group (“MSWG”) in relation to operational, financial and corporate governance matters together with responses from the Management were shared with all the participants during the 20<sup>th</sup> AGM. The External Auditors are also readily available to address the questions from the shareholders at the AGM. The Board ensured that sufficient opportunities were given to shareholders to raise issues relating to the resolution to be put for voting and adequate responses were given. All questions received from shareholders were addressed by the Directors.</p> <p>All the resolutions set out in the Notice of the 20<sup>th</sup> AGM were put to vote by poll and were duly passed. The outcome of the 20<sup>th</sup> AGM was announced to Bursa Securities on the same day. The Minutes of the 20<sup>th</sup> AGM together with the responses from the Board to questions raised by the shareholders was published on the Company’s website within 30 business days after the 20<sup>th</sup> AGM.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company had leveraged technology to facilitate remote shareholders’ participation and electronic voting for the conduct of poll on all resolutions via remote participation and voting facilities for its virtual 20<sup>th</sup> Annual General Meeting (“AGM”).</p> <p>The entire AGM proceedings were held through the virtual platform at <a href="https://rebrand.ly/AT-AGM">https://rebrand.ly/AT-AGM</a> operated by Inshub Sdn. Bhd.. The Administrative Guide for the 20<sup>th</sup> AGM with detailed registration and voting procedures were provided to the shareholders and published on the Company’s website prior to the AGM.</p> <p>During the 20<sup>th</sup> AGM, the shareholders used the remote participation and voting facilities provided to raise questions. All resolutions set out in the Notice of the 20<sup>th</sup> AGM were voted remotely using the digital application in the same platform. A step-by-step administrative guide video was played prior to the start of the AGM to assist shareholders on the registration, participation and voting using the platform.</p> <p>The Company had put in place stringent procedures to safeguard against data privacy and cyber threats during the conduct of 20<sup>th</sup> AGM. Upon shareholders/proxies’ registration for the 20<sup>th</sup> AGM, a meeting link was generated for each shareholder/proxy, and the meeting link is unique to that individual. Before the meeting link is sent out to the participants, it is subject to 2-tier verification. Firstly, the Platform Provider verified the meeting link accuracy against the records of the shareholders/proxies. Secondly, before the shareholders/proxies are admitted into the event, Poll Administrator together with Platform Provider verified and filtered out any participants who demonstrated suspicious activities. The Webex organiser had the capacity to track each individual’s participation and eliminate multiple login attempts.</p>
<b>Explanation for departure</b>	:	

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

### 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.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The 20 <sup>th</sup> AGM was conducted entirely on a virtual basis using Webex platform, which engenders greater shareholders' participation as it facilitates electronic voting and remote participation including the right to pose questions to the Board and/or Management of the Company and vote at the AGM.  The Chairman and the Board of Directors endeavour to respond to the questions submitted by the shareholders which are related to the business operations as well as resolutions to be tabled at the AGM.  All questions were addressed by the Board during the Questions & Answers session. Answers to questions received are published as part of the Minutes of the AGM on the Company's website at <a href="http://www.erdasan.com.my">www.erdasan.com.my</a> .
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

### Intended Outcome

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

### Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>A step-by-step administrative guide was issued to assist shareholders on the registration, participation and voting using the platform prior to the meeting day. The Administrative Notes was also published in the Company's website to encourage shareholders' participation.</p> <p>During the 20<sup>th</sup> AGM, Workshire Share Registration Sdn. Bhd. was appointed as Poll Administrator to facilitate the poll voting process while Symphony Corporate Services Sdn. Bhd. was appointed as Independent Scrutineer to verify the poll results. The Poll Administrator briefed the shareholders and proxies on the remote voting procedures and the manner to pose questions at the meeting.</p> <p>Besides, sufficient time was given to the shareholders to raise question and concern over the Company's affairs as well as proposed resolution which required shareholders to cast their votes.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**Intended Outcome**

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

**Practice 13.6**

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The Minutes of the 20 <sup>th</sup> AGM, which includes the questions raised by shareholders together with the responses by the Company and outcome of the voting results, was made available to the shareholders within 30 business days after the 20 <sup>th</sup> AGM at the Company's website at <a href="http://www.erdasan.com.my">www.erdasan.com.my</a> .
<b>Explanation for departure</b>	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:
<b>Timeframe</b>	:

**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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