

# **CORPORATE GOVERNANCE REPORT**

**STOCK CODE** : 0179  
**COMPANY NAME** : BIOALPHA HOLDINGS BERHAD  
**FINANCIAL YEAR** : December 31, 2022

## **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 has full control of and is responsible for, the Group's overall strategy, acquisition and divestment policies, capital expenditure, annual budget, review of financial and operational performance, and internal controls as well as investment and risk management processes. The Group's overall strategic direction, development, implementation, and control remain of primary importance to the Board.</p> <p>The Board is leading and managing the Group in an effective and responsible manner. Each Director has a legal duty to act in the best interests of the Group. The Directors, individually and collectively, are aware of their responsibilities to shareholders and stakeholders for the manner in which the affairs of the Company are managed.</p> <p>The Board is entrusted with the responsibility to promote the success of the Group by directing and supervising the Group's affairs. Hence, to develop corporate objectives and position descriptions including the limits to management's responsibilities, which the management are aware and are responsible for meeting.</p> <p>The details of the roles and responsibilities of the Board are clearly defined in the Board Charter, which is available on the Company at <a href="http://www.bioa.com.my">www.bioa.com.my</a>.</p> <p>The principal roles and responsibility assumed by the Board are as follows:</p> <ul style="list-style-type: none"><li>• <b>Review and Adopt Strategic Plan of the Group</b></li></ul> <p>The Board plays an active role in the development of the Group's overall corporate strategy, marketing plan and financial plan. The Board is presented with the short and long term strategy of the Group together with its proposed business plans for the forthcoming year. The Board</p>

	<p>also monitor budgetary exercise which to support the Group's business plan and budget plan.</p> <ul style="list-style-type: none"> <li>• <b>Implementation of Internal Compliance Controls and Justify Measure to Address Principal Risks</b></li> </ul> <p>The Board is fully alert of the responsibilities to maintain a proper internal control system. The Board's responsibilities for the Group's system of internal controls of which including financial condition of the business, operational, regulatory compliance as well as risk management matters.</p> <ul style="list-style-type: none"> <li>• <b>Developing and Implementing an Investor Relations Program or Shareholder Communications Policy For The Group</b></li> </ul> <p>The Board recognises that shareholders and other stakeholders are entitled to be informed in a timely and readily accessible manner of all material information concerning the Company through a series of regular disclosure events during the financial year. Hence, The Company website is the primary medium in providing information to all shareholders and stakeholders.</p> <ul style="list-style-type: none"> <li>• <b>Succession Planning</b></li> </ul> <p>The Board has entrusted the Nomination Committee and Remuneration Committee with the duty to review candidates for the Board and key management positions and to determine remuneration packages for these appointments, and to formulate nomination, selection, remuneration and succession policies for the Group.</p> <p>The Board, together with the Management, put in place informal structure and personnel practice to ensure key roles within the Group are supported by competent and calibre second-in-line personnel to reduce the impact of abrupt departure of key personnel to the minimum possible. The succession planning of the Group is enhanced by the policies and standard operating procedures as well as job descriptions established for key business processes within the Group. In addition, during the review of the performance and strategies presented, at times, the Board reviews on the adequacy of calibre and competent human resources that are put in place for daily management and control of operations as well as proper execution of approved strategies.</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>	

<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>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>On 25 January 2022, Tan Sri Abdul Rahman Bin Mamat has decided to step down as Independent Non-Executive Chairman of the Company after having served the Company for almost 9 years and to pursue other corporate interests and Tan Sri Dato' Dr Syed Jalaludin Bin Syed Salim had redesignated from Independent Non-Executive Director to Independent Non-Executive Chairman of the Company.</p> <p>He has been acting as the facilitator during meetings of the Board to ensure that discussion takes place effectively and constructively, the opinions of all directors relevant to the subject under discussion are solicited and freely expressed, and that Board discussions lead to appropriate decisions.</p> <p>The Chairman holds an Independent Non-Executive role and his roles and responsibilities have been clearly specified in the Board Charter, which is available on the Company's website at <a href="http://www.bioa.com.my">www.bioa.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

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>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The positions of Chairman and Managing Director are separated and clearly defined. The Board believes that balance of power and authority exists within its current structure to sufficiently enable it to discharge its duties objectively.</p> <p>During FYE 2022, the Board is chaired by Tan Sri Dato' Dr Syed Jalaludin Bin Syed Salim who is able to provide effective leadership, strategic direction and necessary governance to the Group.</p> <p>The roles and responsibilities of the Chairman and Managing Director are provided in the Board Charter, which is available on the Company's website at <a href="http://www.bioa.com.my">www.bioa.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

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>	:	During FYE 2022, the Chairman of the Board is Tan Sri Dato' Dr Syed Jalaludin Bin Syed Salim who is not a member of the Audit Committee, Nomination Committee or Remuneration Committee.
<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 Company is supported by two (2) suitably qualified and competent company secretaries. Mr Tan Tong Lang (MAICSA 7045482) and Ms Thien Lee Mee (LS0010621) both are qualified Chartered Secretary under Section 235(2)(a) of the Companies Act, 2016.</p> <p>The Company Secretaries attend and ensure the Board meetings are properly convened, and that accurate and proper record of the proceedings and resolutions passed are taken and maintained in the statutory register at the registered office of the Company. The Company Secretaries work closely with Management to ensure that there are timely and appropriate information flows within and to the Board and Board Committees, and between the Directors and Management.</p> <p>In addition to acting as the custodian of the Company's and the Group's statutory records, the Company Secretaries serve and advise the Board on matters relating to the affairs of the Board and good corporate governance practices. All the Directors have access to the advice and services of the Company Secretaries as and when required.</p> <p>The roles and responsibilities of the Company Secretaries are set out in the Company's Board Charter, which is available on the Company's website at <a href="http://www.bioa.com.my">www.bioa.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

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>Unless otherwise agreed, notice of each meeting confirming the venue, time, date, and agenda of the meeting together with relevant Board papers shall be forwarded to each director no later than seven (7) days before the date of the meeting. This is to ensure that Board papers comprising of due notice of issues to be discussed and supporting information and documentations were provided to the Board sufficiently in advance. Furthermore, Directors are given sufficient time to read the Board paper and seek clarification as and when they may need advisers or further explanation from management and Company Secretaries. The deliberations of the Board in terms of the issues discussed during the meetings and the Board's conclusions in discharging its duties and responsibilities are recorded in the minutes of meetings by the Company Secretaries.</p> <p>The Board has access to all information within the Company as a full Board to enable them to discharge their duties and responsibilities and is supplied in a timely basis with information and reports on financial, regulatory and audit matters by way of Board papers for informed decision making and meaningful discharge of its duties.</p> <p>In addition, all Directors have direct access to the advice and services of the Company Secretaries who are responsible for ensuring the Board's meeting procedures are adhered to and that applicable rules and regulatory are complied with. External advisers are invited to attend meetings to provide insights and professional views, advice and explanation on specific items on the meeting agenda, when required. Senior management team from different business units will also be invited to participate in the Board meetings to enable all Board members to have equal access to the latest updates and developments of business operations of the Group presented by the senior management team. The Chairman of the Board Committees, namely, the Audit Committee ("AC"), Remuneration Committee ("RC"), Nomination Committee ("NC"), Risk Management Committee ("RMC"), Investment Committee and Share Issuance Scheme Option Committee briefs the Board on matters discussed as well as decisions taken at the meetings of their respective Board Committees meetings.</p>

	When necessary, Directors may whether as a full Board or in their individual capacity, seek independent professional advice, including the internal and external auditors, at the Company's expense to enable the directors to discharge their duties with adequate knowledge on the matters being deliberated, subject to approval by the Chairman of the Board, and depending on the quantum of the cost involved.	
<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 Board had formalised a Board Charter setting out the duties, responsibilities and functions of the Board in accordance with the principles of good corporate governance set out by the regulatory authorities. The Board Charter will be reviewed, where necessary, to ensure the updates and enhancements to be in line with the current Board Charter.</p> <p>The Board Charter is available on the corporate website at <a href="http://www.bioa.com.my">www.bioa.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 board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

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

### Practice 3.1

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Board is committed in maintaining a corporate culture which engenders ethical conduct. The Board has formalised the Code of Conducts and Ethics which summarises what the Company must endeavour to do proactively in order to increase corporate value, and which describes the areas in daily activities that require caution in order to minimise any risks that may occur. The Code of Conduct and Ethics provides guidance for Directors regarding ethical and behavioural considerations and/or actions as they address their duties and obligations during the appointment. The Board will review the Code of Conduct and Ethics when necessary to ensure it remains relevant and appropriate. The details of the Code of Conduct and Ethics are available for reference on the Company’s website at <a href="http://www.bioa.com.my">www.bioa.com.my</a> .	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

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

**Practice 3.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Group has in place a Whistle Blowing Policy designed to create a positive environment in which employees and external parties can raise genuine concerns without fear of recrimination and enable prompt corrective action to be taken where appropriate.</p> <p>The Whistle Blowing Policy can be assessed at the Company’s website at <a href="http://www.bioa.com.my">www.bioa.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>	:	The Board has established the Board Committees comprising the Audit Committee, Risk Management Committee and Nomination Committee to carry out its duties and responsibilities.  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.	
<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 4.2**

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>	:	There are 4 priority areas covered by group which included market place, workforce, environmental and community. Detailed of sustainability report can be found in annual report of 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**

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>	:	The risk management process consists of applying policies, procedures, and practices to communication and consulting activities, as well as establishing the context for identifying, quantifying, responding, controlling, monitoring, and reviewing.  The Board set strategy to achieve business target and mitigate risks.	
<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 members of the Board are professionals with calibre and entrepreneurs equipped with industry specific knowledge and experience. This wide spectrum of skills and experience provide the strength that is needed to lead the Company to meet its objectives. The Board is of the opinion that the directors, with their different background and specializations, collectively bring with them the required expertise and experience to discharge the Board's duties and responsibilities.</p> <p>In assessing suitability of candidates to the Board and Senior Management Team, consideration will be given based on core competencies, commitment, contribution, and performance of the candidates to ensure that there is a range of professional knowledge, skills, experience and diversity (including gender diversity). Understanding of the Business, the Market, and the industry in which the Group operates and the accounting, finance and legal matter.</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 Company has established the Nomination Committee comprising exclusively of Non-Executive Directors, with the responsibilities of assessing the balance composition of Board members, nominate the proposed Board member by looking into his skills and expertise for contribution to the Company on an ongoing basis. The appointment of new Directors is the responsibility of the full Board after considering the recommendations of the NC. The NC is aware of their duties and responsibilities.</p> <p>The summary activities undertaken by the NC in the discharge of its duty for FYE 2022 are as follows:</p> <ul style="list-style-type: none"><li>i) Reviewed and recommended the appointment of new Executive Director and Independent Non-Executive Director to the Board for approval;</li><li>ii) Reviewed the size, structure and composition of the Board;</li><li>iii) Assessed and reviewed the effectiveness of the Board as a whole, the Board Committees and the contributions of the individual directors;</li><li>iv) Assessed and reviewed the independent of the independent directors;</li><li>vi) Assessed and reviewed the performance of AC and members of the AC;</li><li>v) Recommended the re-election of the Directors who are due for retirement by rotation at the 12th AGM.</li></ul> <p>In accordance with the Company's Constitution states that an election of Directors shall take place each year at the annual general meeting of the Company, where one- third of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third shall retire from office and be eligible for re-election, PROVIDED ALWAYS that Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires. The Directors to retire each year are the Directors who have been longest in office since their last appointment on re-election.</p>

	<p>Pursuant to Clause 105(1) of the Company's Constitution, Mr Hon Tian Kok @ William is standing for re-election as Directors of the Company and being eligible, has offered himself for re-election.</p> <p>Tan Sri Dato' Dr. Syed Jalaludin bin Syed Salim and Encik Mohd Nasir Bin Abdullah who are retiring pursuant to Clause 105(1) of the Company's Constitution at the forthcoming 12th AGM of the Company, they have expressed their intention not to seek re-election at the forthcoming 12th AGM of the Company. Hence, they will retain office until the conclusion of the 12th AGM and will retire as the Directors of the Company until the conclusion of the 12th 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>	:	

### 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>The Company is managed by a well-balanced Board which consists of members with wide range of business, technical and financial background. This brings diversity and insightful depth to the company leadership and management.</p> <p>During FYE 2022, the Board consists of eight (8) members, as designated below:</p> <p>one (1) Independent Non-Executive Chairman; one (1) Managing Director/Chief Executive Officer; two (2) Executive Directors; one (1) Group Chief Financial Officer/Finance Director;and three (3) Independent Non-Executive Directors.</p> <p>The present composition of the Board is in compliance with Rule 15.02 of the AMLR and MCCG Practice 4.1 which requires at least half of the Board members to be Independent Directors. The profile of each Director is set out in the Profiles of Directors of this Annual Report.</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>	:	<p>The Company do not have a policy which limits the tenure of its independent directors to nine (9) years. However, the Board takes note that the MCCG recommends that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years unless shareholders' approval is obtained to retain such Director as an Independent Director. The NC will assess the independence of the Independent Director based on the assessment criteria developed by the NC, and recommend to the Board for recommendation to the shareholders. Justification for the approval would be provided.</p> <p>The NC carries out the evaluation of independent on each Independent Director annually.</p> <p>The NC has undertaken a review and assessment of the level of independence of the Independent Directors during the FYE 2021 and is satisfied that they are able to discharge their responsibilities in an independent manner. The Independent Directors have also declared their independence to the Board under the annual Board evaluation during the FYE 2022.</p> <p>Tan Sri Dato' Dr Syed Jalaludin Bin Syed Salim who has served as the Independent Director for a cumulative term of nine (9) years since his appointed as Independent Director on 8 July 2014. He has decided not to seek re-election. He will retain office until the conclusion of the 12th Annual General Meeting and will retire in accordance with Clause 105(1) of the Company's Constitution.</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 5.4 - Step Up**

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

*Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.*

<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.

Application	:	Applied	
Explanation on application of the practice	:	<p>The members of the Board are professionals with calibre and entrepreneurs equipped with industry specific knowledge and experience. This wide spectrum of skills and experience provide the strength that is needed to lead the Company to meet its objectives. The Board is of the opinion that the directors, with their different background and specializations, collectively bring with them the required expertise and experience to discharge the Board’s duties and responsibilities.</p> <p>In assessing suitability of candidates to the Board and Senior Management Team, consideration will be given based on core competencies, commitment, contribution and performance of the candidates to ensure that there is a range of professional knowledge, skills, experience and diversity (including gender diversity). Understanding of the Business, the Market and the Industry in which the Group operates and the accounting, finance and legal matter.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

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

### Practice 5.6

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 Board appoints the members through a formal and transparent selection process which various criteria's such as age, skills, experiences, expertise and etc, are taking into considerations.</p> <p>The new candidates will be considered and evaluated by the Nomination Committee before recommending to the Board for the appointment. The Board adopts a flexible approach when selecting and appointing new Directors onto the Board.</p> <p>During the financial year, there were new appointment of Datuk Chong Loong Men as Executive Director and Mr Yee Yit Yang as the Independent Non-Executive Director of the Company on 1 June 2022.</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.

Application	:	Applied	
Explanation on application of the practice	:	<p>The performance of retiring Directors who are recommended for re-election at the forthcoming AGM would be assessed through the Board annual evaluation (including the independence of Independent Non-Executive Directors). A statement by the Board and NC satisfying the performance and effectiveness of the retiring Directors who offer themselves for re-election at the AGM will be stated in the Notice of AGM.</p> <p>The profile of the Director who is 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 2022 of the Company.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

**Practice 5.8**

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

Application	:	Applied	
Explanation on application of the practice	:	The Nomination Committee is chaired by Mr Kang Jimmi who is an Independent Non-Executive Director of the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Board has not set gender diversity target as of the reporting period.</p> <p>The Board is of the view that the appointment of Board member or management should be determined based on objective criteria, merit and with due regard for diversity in skills, experience and other qualities regardless of gender but will nevertheless consider appointing more directors of the female gender where suitable to be in line with the MCG's target.</p> <p>The Board currently has one female director out of eight board members, namely Ms Goh Siow Cheng.</p> <p>The Board opined that gender should not be the basis of evaluation and given the current state of the Group's business and lifecycle, it is more important to have the right mix of skills, knowledge, experience and expertise on the Board rather than to attaining the threshold as stipulated in MCG.</p> <p>The Nomination Committee evaluates and matches the criteria of the candidate, and will consider diversity, including gender, where appropriate, and recommends to the Board for appointment. In its effort to promote boardroom diversity, the Nomination Committee has taken various steps to ensure that women candidates are sought from various sources as part of its recruitment exercise.</p> <p>Nevertheless, the Board supports the initiative to include woman representation on the Board to achieve a more gender diversified Board, henceforth, the Board is on the look for potential women Directors and shall appoint additional women Directors as and when suitable candidates are identified. No timeframe has been set for the search concerned.</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.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board did not set specific targets on gender diversity for the Company but endeavour to improve the number of women directors on the Board, based on pre-determined skill sets and competencies.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

## Intended Outcome

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

## Practice 6.1

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

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

<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>	<p>The Nomination Committee is required to assess the Board's effectiveness in terms of its composition, roles and responsibilities, and whether the Board Committees have discharged their functions and duties in accordance with the terms of reference. The NC assesses on annual basis the composition of the Board to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision making.</p> <p>All assessments and evaluations carried out by the NC in discharging its functions have been well documented.</p> <p>The Board has, through the NC, conducted the following annual assessments in the FYE 2022:-</p> <ul style="list-style-type: none"><li>a) Directors' self-assessment;</li><li>b) Evaluation on the effectiveness of the Board as a whole and Board Committees;</li><li>c) Assessment of Independent Directors; and</li><li>d) Review of the performance of Audit Committee and each of its members.</li></ul> <p>The annual assessment of individual Directors, Board as a whole and Board Committees which commences with the completion of a set of self-assessment form detailing all assessment criteria to be completed by all Directors for evaluation by the Nomination Committee. Criteria for the self-assessment includes self-ratings on the Director's knowledge, support of the goals of the Company, time commitment, and active participation on the Board.</p> <p>Based on the assessments conducted for the FYE 2022, the Nomination Committee was satisfied with the performance of the Board as a whole, the Board Committees and each individual Director.</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 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 believes the remuneration policy was fairly supports the Directors' responsibilities and fiduciary duties in steering the Group to achieve its long-term goals and enhance shareholders' value. The Board's offers a competitive remuneration package in order to attract, develop and retain talented individuals to serve as directors.</p> <p>The determination of the remuneration for Non-Executive Directors is a matter of the Board as a whole. The level of remuneration for Non-Executive Directors reflects the amount paid by other comparable organizations, adjusted for the experience and levels of responsibilities undertaken by the particular Non-Executive Directors concerned. The remuneration package of Non-Executive Directors will be a matter to be deliberated by the Board, with the Director concerned abstaining from deliberations and voting on deliberations in respect of his individual remuneration. In addition, the Company also reimburses reasonable out-of-pocket expenses incurred by all the Non-Executive Directors in the course of their duties as Directors of the Company. The aggregate annual Directors' fees and other benefits payable are to be approved by shareholders at the Annual General Meeting based on recommendations of 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>	:		
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### 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>As at the date of this Report, the Remuneration Committee ("RC") consists of three (3) members, majority of whom are non-executive directors.</p> <p>The RC reviews the remuneration package of the Directors and Senior Executives and makes recommendations on the same to the Board for approval. The RC considers various factors, amongst others, the compensation levels for comparable positions among other similar listed companies, their fiduciary duties, time commitments expected of them and the Group's performance.</p> <p>The Terms of Reference of the RC can be viewed at the Company's website at <a href="http://www.bioa.com.my">www.bioa.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**

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 detailed disclosure on named basis for the directors fees and remuneration of individual directors is as follows:

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Dato' Dr. Syed Jalaludin Bin Syed Salim	Independent Director	NA	NA	NA	NA	NA	NA	NA	66,240.00	NA	NA	NA	NA	9,600.00	75,840.00
2	Hon Tian Kok @ William	Executive Director	NA	NA	NA	NA	NA	NA	NA	Input info here	84,000.00	334,005.00	10,658.00	NA	13,075.00	441,738.00
3	Ho Tze Hiung	Executive Director	NA	NA	NA	NA	NA	NA	NA	Input info here	84,000.00	141,120.00	5,880.00	NA	8,600.00	239,600.00
4	Datuk Chong Loong Men (appointed on 1 June 2022)	Executive Director	NA	NA	NA	NA	NA	NA	NA	40,000.00	NA	100,000.00	NA	NA	41,900.00	181,900.00
5	Goh Siow Cheng	Executive Director	NA	NA	NA	NA	NA	NA	NA	Input info here	NA	314,866.00	28,663.00	NA	96,375.00	439,904.00
6	Mohd Nasir Bin Abdullah	Independent Director	NA	NA	NA	NA	NA	NA	NA	37,800.00	NA	NA	NA	NA	11,100.00	48,900.00
7	Kang Jimmi	Independent Director	NA	NA	NA	NA	NA	NA	NA	24,000.00	NA	NA	NA	NA	12,100.00	36,100.00
8	Yee Yit Yang (appointed on 1 June 2022)	Independent Director	NA	NA	NA	NA	NA	NA	NA	10,000.00	NA	NA	NA	NA	3,600.00	13,600.00
9	Dato' Norhalim Bin Yunus (resigned on 1 August 2022)	Independent Director	NA	NA	NA	NA	NA	NA	NA	26,460.00	NA	NA	NA	NA	5,500.00	31,960.00
10	Tan Sri Abd Rahman Bin Mamat (resigned on 25 January 2022)	Independent Director	NA	NA	NA	NA	NA	NA	NA	5,250.00	NA	NA	NA	NA	2,200.00	7,450.00
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 disclosure of top five senior management personnel's names and various remuneration components (salary, bonus, benefits in-kind, and other emoluments) would not be in the best interest of the Group due to confidentiality and security concerns.</p> <p>The Board is of the view that such disclosure would have adverse effect on the Company's talent retention in the highly competitive industry. The disclosure of Key Management's (as defined therein) remuneration has been made in the financial statements for year ended 31 December 2022.</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>	:	The Board ensures that the remuneration of senior management is commensurate with the performance of the Company, with due consideration to attract, retain and motivate senior management to lead and run the Company successfully.
<b>Timeframe</b>	:	

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>	:	<p>The Chairman of the Audit Committee ("AC") and the Chairman of the Board are held by different person.</p> <p>The Chairman of the AC is Mohd Nasir Bin Abdullah, who is an Independent Non-Executive Director and the Chairman of the Board is Tan Sri Dato' Dr. Syed Jalaludin Bin Syed Salim.</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 9.2**

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>	:	Currently, there is no former audit partner serving as a member of the Audit Committee of the Company during the financial year ended 31 December 2022.	
<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 Company has established a transparent arrangement with the External Auditors to meet their professional requirements. From time to time, the External Auditors highlight to the AC and Board of Directors on matters that require the Board's attention.</p> <p>The AC is responsible for reviewing the audit, recurring audit-related and non-audit services provided by the External Auditors. The AC has explicitly accorded the power to communicate directly with both the External Auditors and Internal Auditors. The terms of engagement for services provided by the External Auditors are reviewed by the AC prior to submission to the Board for approval. The effectiveness and performance of the External Auditors are reviewed annually by the AC.</p> <p>In assessing or determining the suitability and independence of the External Auditors, the AC has taken into consideration of the following:</p> <ul style="list-style-type: none"><li>i) the adequacy of the experience and resources of the External Auditors;</li><li>ii) the External Auditor's ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;</li><li>iii) the nature of the non-audit services provided by the External Auditors and fees paid for such services relative to the audit fee; and</li><li>iv) whether there are safeguards in place to ensure that there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services or tenure of the External Auditors.</li></ul> <p>Every year, the AC will meet with the External Auditors without the presence of Executive Director and members of management to ensure that the independence and objectivity of the External Auditors are not compromised and matters of concerns expressed by the AC are duly recorded by the Company Secretaries.</p>

	<p>On 19 October 2022, the Company's External Auditors has resigned as Auditors of the Company and in place by Messrs. ChengCo PLT as the external auditors of the Company with effect from the date of their consent to act dated 8 November 2022.</p> <p>The Board approved the AC's recommendation for the shareholders' approval to be sought at the Annual General Meeting ("AGM") on the re-appointment of Messrs ChengCo PLT as the External Auditors of the Company for the financial year ending 31 December 2023.</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 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The present members of the Audit Committee are as follows:  Chairman – Mohd Nasir Bin Abdullah (Independent Non-Executive Director) Member – Kang Jimmi (Independent Non-Executive Director) Member – Yee Yit Yang (Independent Non-Executive Director)

## 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>	:	<p>All members of Audit Committee are financially literate and possess a wide range of necessary skills to discharge their duties. The qualifications and experiences of the individual Audit Committee member are disclosed in the Profile of Directors of the Annual Report.</p> <p>The members of Audit committee attend trainings from time to time to ensure that they are kept abreast of the latest developments in the areas of the capital markets, regulatory and corporate governance while equipping themselves with the know-how to contribute further to the effectiveness of the Board. Details of the training programs attended by each member of the Audit Committee set out in the Corporate Governance Overview Statement of the Annual Report 2022.</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 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Board has established a sound risk management and internal control system as well as reviewing its adequacy and effectiveness.  Further details on the status of the Group’s risk and internal controls can be found in the Statement on Risk Management and Internal Controls in the Company’s Annual Report 2022.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

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

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

### Practice 10.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Board has disclosed the key features of its risk management and internal control system as well as its adequacy and effectiveness in the Statement on Risk Management and Internal Control in the Company’s Annual Report 2022.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The Risk Management Committee ("RMC") was established on 20 April 2018 and comprises three (3) members, majority of whom are Independent Non-Executive Directors.

### Intended Outcome

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

### Practice 11.1

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The internal audit function of the Company is carried out by an outsourced professional service firm, namely GovernanceAdvisory.com Sdn. Bhd., which reports to the AC and assists the AC in reviewing the effectiveness of the internal control systems whilst ensuring that there is an appropriate balance of controls and risks throughout the Group in achieving its business objectives.</p> <p>The Internal auditor provides independent assessment on the effectiveness and efficiency of internal controls utilising a global audit methodology and tool to support the corporate governance framework and an efficient and effective risk management framework to provide assurance to the AC.</p> <p>It is the responsibility of the Internal Auditors to provide the Audit Committee with independent and objective reports on the state of internal control of the various operating units within 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

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>The Group has appointed an established external professional Internal Audit firm, which reports to the AC and assists the AC in reviewing the effectiveness of the internal control systems whilst ensuring that there is an appropriate balance of controls and risks throughout the Group in achieving its business objectives.</p> <p>Currently, the external internal audit firm has 10 of internal auditors who are qualified and have professionalism in internal audit. Being an external internal audit firm, all internal auditors are free from any relationships and conflict of interest with the Group which could impair their objectivity and independence. The internal auditors adopt International Professional Practices Framework for their audit works.</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 is mindful on the importance of maintaining proper corporate disclosure procedures with the aim to provide shareholders and investors with comprehensive, accurate and quality information on a timely basis.</p> <p>In line with best practices, the Board strives to disclose price sensitive information to the public as soon as practicable through Bursa Securities and the Group's website at <a href="http://www.bioa.com.my">www.bioa.com.my</a>.</p> <p>The Company maintains various methods of dissemination of information which is important to shareholders, stakeholders, and the public at large through timely announcement of events, quarterly announcement of financial results and product information on the Company's website. The Company has also made sure all the information updated in timely manner in the Company's website including profile of Directors and any information on the Group's products and services.</p> <p>The Board also provides question and answer session in its Annual General Meeting as one of the platforms for shareholders to voice up their concerns on the Company's operating environment.</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 12.2**

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>General meeting serves as a principal platform for the Board and Senior Management to engage with shareholders and encourage effective shareholders' communication on the Company's performance, corporate and business developments and any other matters affecting shareholder interests.</p> <p>The Company has been practicing sending Notice of AGM to shareholders at least 28 days prior to the meeting and the Notice is also advertised in nationally circulated English daily newspaper. The Board recognises that a longer notice allows ample time for shareholders to consider the resolutions before exercising their voting rights, and to make arrangement to attend AGM either personally, through proxy or corporate representative.</p> <p>The Notice of an AGM also provides information to the shareholders with regard to, amongst others their entitlement to attend the AGM, the right to appoint a proxy and also the qualifications of a proxy.</p> <p>The Company dispatched its notice of 11th AGM to shareholders at least 28 days before 11th AGM held on 28 June 2022, which is in line with Practice 13.1 of the MCGG. This is to enable the shareholders have sufficient time to read and understand the Company's financial and non-financial performance before the meeting.</p> <p>All resolutions set out in the Notice of 10th AGM were put to vote by poll and the votes cast were validated by an independent scrutineer appointed by the Company. The outcome of all resolutions proposed at the general meeting is announced to Bursa Securities at the end of the meeting day.</p> <p>The notice of the upcoming 12th AGM of the Company which is scheduled to be held on 7 June 2023 will be sent to the shareholders at least twenty-eight (28) days before the date of 12th AGM.</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**

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 general meeting also serves as an avenue for the Chairman and the Board members to engage in a two way communication with shareholders where the shareholders are encouraged to participate in the question-and-answer session with the Board personally and exercise their right to vote on the proposed resolutions.</p> <p>The Board will ensure that all Board members, particularly the chairperson of each Board committee will make their endeavours to attend general meeting to facilitate engagement with shareholders and to address any relevant questions and concerns raised by the shareholders.</p> <p>The external auditors will be present at the AGM to respond to any queries from shareholders on the audit conducted, the preparation and content of the auditors' report, the accounting policies adopted by the Company, and the independent audit review of the Company's financial position.</p> <p>At the fully virtual 11th AGM of the Company held on 28 June 2022, all members of the Board attended the fully virtual 11th AGM, the representatives of the management and the external auditors were attended the meeting to respond to the questions raised by the shareholders or proxies.</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 13.3**

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 on technology to facilitate remote shareholders’ participation and electronic voting for the conduct of poll on resolutions at its virtual General Meeting Meeting held on 28 June 2022.</p> <p>The entire AGM proceedings was held through the Online Meeting Platform of Vote2U Online operated by Agmo Digital Solutions Sdn. Bhd. in Malaysia via the link at <a href="https://web.vote2u.my">https://web.vote2u.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

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>	:	<p>The 11th AGM was conducted virtually through the Online Meeting Platform of Vote2U Online operated by Agmo Digital Solutions Sdn. Bhd. in Malaysia via the link at <a href="https://web.vote2u.my">https://web.vote2u.my</a>.</p> <p>Shareholders were allowed to submit their questions electronically through the online platform or used the query box to transmit questions to the Board of Directors during the live streaming of the 11th AGM and Extraordinary General Meeting.</p> <p>Shareholders were given sufficient opportunity to pose their questions before the AGM and during the AGM. The Company had ensured that all the questions were answered. Questions received after the close of Q&amp;A session were answered via emails.</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 13.5

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>	:	The Company's held its 2022 AGM as fully virtual general meeting. The Company had appointed Agmo Digital Solutions Sdn. Bhd. as Poll Administrator to conduct fully virtual general meeting.
<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>	:	Minutes of the 11th AGM have been published on its website at <a href="http://www.bioa.com.my">www.bioa.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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