

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0258
COMPANY NAME : Agmo Holdings Berhad
FINANCIAL YEAR : March 31, 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board of Directors ("the Board") of Agmo Holdings Berhad ("the Company") has overall responsibility for the proper conduct of the Company's business in achieving the objectives and long-term goals of the Company. The Company recognises the importance of the Board in providing leadership and a sound base for good corporate governance in the operations of the Company. The principal roles and responsibilities are as follows: • Formulating a strategic plan for the Company and tailoring the same from time to time by taking practical and realistic approaches; • Maintaining good corporate governance standards; • Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed and sustained; • Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks; and • Reviewing the adequacy and integrity of the Company's internal control systems for compliance with applicable laws, regulations, rules and guide. The salient features of the Board Charter have been uploaded on the Company's website at www.agmo.group.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	Dato' Low Hann Yong, who is the Non-Independent Non-Executive Chairman ("Chairman") of the Company, is responsible for ensuring the integrity and effectiveness of the Board's governance process, acts as a facilitator at the meetings and ensures that Board proceedings comply with good conduct and best practices. The Chairman carries out the leadership role in the conduct of the Board and the primary responsibilities of the Chairman are, amongst others, as follows: • To lead the Board and to ensure the effectiveness of all aspects of the Board's role; • To ensure the efficient organisation and conduct of the Board's function and meetings; • To facilitate the effective contribution of all Directors at Board meetings; • To promote constructive and respectful relations among Directors, and between the Board and management; and • To ensure effective communication with shareholders and relevant stakeholders. Details of the responsibilities of the Chairman are set out in the Board Charter of the Company which is made available on the Company's website at www.agmo.group.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	The positions of the Chairman and CEO are held by two distinct individuals, namely Dato' Low Hann Yong and Mr Tan Aik Keong, respectively. There is clear separation of duties and responsibilities to ensure a balance of power and authority so that no one individual has unfettered powers of decision making. The Chairman carries out the leadership role in the conduct of the Board and the primary responsibilities are as follows: • to lead the Board and to ensure the effectiveness of all aspects of the Board's role; • to ensure the efficient organisation and conduct of the Board's function and meetings; • to facilitate the effective contribution of all Directors at Board meetings; • to promote constructive and respectful relations among Directors, and between the Board and management; and • to ensure effective communication with shareholders and relevant stakeholders. The CEO is responsible for the Company and its subsidiaries ("the Group")'s overall business performance and manages the Group in accordance with the strategies and policies approved by the Board. The CEO is also responsible for the day-to-day operations of the Group, within the authorities as delegated by the Board.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
Application	:	Applied
Explanation on application of the practice	:	Dato' Low Hann Yong, the Non-Independent Non-Executive Chairman of the Company, is not a member of the Audit and Risk Management Committee ("ARMC"), Nomination Committee ("NC") and Remuneration Committee ("RC").
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	The Board is supported by a qualified and competent Company Secretary to provide support and guidance in advising the Board on all secretarial matters of the Company in relation but not limited to Companies Act 2016 ("the Act"), ACE Market Listing Requirement ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Malaysian Code on Corporate Governance 2021 ("MCCG 2021"). The Company Secretary also ensures that discussions at Board and Board Committee meetings are well documented. The Company Secretary is a member of The Chartered Governance Institute, which is also known as MAICSA and is qualified to act as Company Secretary pursuant to Section 235(2) of the Act. In addition, the Company Secretary also attends trainings to keep himself abreast with the latest developments in corporate and securities law, listing rules and corporate governance.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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

Application	:	Applied	
Explanation on application of the practice	:	The Board and its Committees were provided with notices of meetings together with the agendas and the relevant meeting papers at least (7) days prior to the respective scheduled meetings, to allow reasonable time for the Board and/or its Committees to review the meeting papers and to prepare for deliberation on the issues to be considered at the respective meetings. The deliberations and decisions made at Board and Board Committee meetings are documented in the minutes by the Company Secretary, including matters where Directors abstained from voting or deliberation. The meeting minutes were circulated to the Board and the Board Committees and confirmed as a correct record of the proceedings by the Board and Board Committees at the following respective meetings.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board has a formalised Board Charter, which sets out the roles, functions, composition, and processes of the Board. The Board Charter provides guidance to the Board, Board Committees, Directors and management of the Company in the fulfilment of their roles, duties and responsibilities which are in line with the AMLR and the principles of MCCG 2021. The Board will review and update the Board Charter in accordance with the needs of the Company and any regulations that may bring an impact in the corporate governance practices of the Company and the responsibilities of the Board in discharging its governance function. A copy of the Board Charter is made available on the Company's website at www.agmo.group.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The 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 Company has established an Anti-Bribery and Corruption Policy and Code of Conduct and Ethics which apply to all Directors and employees of the Group. These policies emphasise the Group's commitment to conduct its business fairly, impartially and in full compliance with all applicable laws and regulations. The Group's professionalism, honesty and integrity must at all times be upheld in the Company's business dealings with customers, vendors, suppliers, contractors, government, regulators, investors, the business community as a whole and in the relationship of its own employees. Currently, the Board adheres to the Code of Conduct and Ethics for Company Directors issued by the Companies Commission of Malaysia. This Code of Conduct and Ethics provides good guidance for a standard of ethical behaviour for Directors based on trustworthiness and honest values that are acceptable and to uphold the spirit of responsibility including social responsibility in line with the legislation, regulations and guidelines for administering a company. The Anti-Bribery and Corruption Policy and Code of Conduct and Ethics are made available on the Company's website at www.agmo.group.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	The Group acknowledges that any genuine commitment to detect and prevent actual or suspected unethical, illegal, improper, or other misconduct shall include a means for employees and other stakeholders to freely report their concerns without fear of reprisal or intimidation. The Board has set up a whistleblowing policy and procedure ("Whistleblowing Policy") to support the Company's values and to provide a transparent and confidential process for all dealings with concerns. The Whistleblowing Policy is designed to enable all stakeholders including but not limited to employees, customers, suppliers, government bodies and financial institutions to raise genuine concerns of possible improprieties perpetrated within the Group. If any employee believes reasonably and in good faith that malpractice exists in the workplace, the employee should report to the ARMC Chairperson immediately. The Whistleblowing Policy is available on the Company's website at www.agmo.group. During FYE 2023, the Company has not received any complaint under this procedure.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Board has taken steps to integrate sustainability issues as a core of its strategic formulation. The Board is supported by the senior management, which enables the Board to assess and ensure that sustainability governance is structured and functioning through the various level of management. Further details of the Group’s sustainability practices are set out in the Sustainability Statement in the Annual Report 2023.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.2

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

Application	:	Applied	
Explanation on application of the practice	:	The practices that have been adopted by the Company to engage with the internal and external stakeholders are disclosed in the Sustainability Statement in the Annual Report 2023.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied	
Explanation on application of the practice	:	The Board has sufficient understanding and knowledge of the sustainability issues that are relevant to the Company and its business, to discharge its role effectively. The measures that the Board has taken to attain a better and more sustainable future are disclosed in the Sustainability Statement in the Annual Report 2023.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board’s performance evaluation includes a review of its effectiveness in addressing the Company’s material sustainability risks and opportunities. However, at present, the Board does not have a formal review process in place to assess the performance of the senior management specifically regarding material sustainability risks and opportunities.	
		To address this, the Board will explore ways to embed sustainability-related review into the senior management’s performance evaluation, moving forward.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied	
Explanation on application of the practice	:	The NC reviewed the composition of the Board and its Board Committees, including the tenure of each director to ensure the tenure of an independent director does not exceed a term limit of nine years as recommended by the MCCG 2021. The NC conducted an annual assessment of the performance of the Board as a whole for the financial year ended 31 March 2023, as well as the independence of the Independent Directors. Based on the annual assessment performed, the NC is satisfied with the performance of the Directors who are standing for re-election and has recommended the proposed re-election to the Board for approval.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.2

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

Application	:	Applied	
Explanation on application of the practice	:	Half of the Board members are Independent Non-Executive Directors. The Company has complied with Rule 15.02 of the AMLR which requires that at least two (2) or one-third (1/3) of the Board consists of independent directors. This is also in line with Practice 5.2 of the MCCG where at least half of the Board comprises independent directors.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied	
Explanation on application of the practice	:	Currently, there are no Independent Directors serving beyond nine (9) years.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board has consistently embraced diversity and gender balance in its composition. This commitment is evident in the Board's diverse makeup, which includes individuals with varying skill sets, experience, age, gender and backgrounds. The NC is responsible for identifying, assessing and recommending the right candidates to the Board as well as reviewing and assessing the composition and performance of the Board. In making its recommendations, the NC will consider, among others, the mix of skills, knowledge, experience, diversity (including gender diversity), background, integrity, competence, time commitment and independence in order to meet the strategic objectives and business requirements of the Group. A brief description of each Director's profile is stated in the Directors' Profile in the Annual Report 2023.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied	
Explanation on application of the practice	:	Since the Company was listed on the ACE Market of Bursa Malaysia Securities Berhad on 18 August 2022, no new Director has been appointed. The NC has reviewed the composition of the Board and Board Committees and is satisfied with the current composition. Therefore, the Board has not utilised any independent sources to identify additional candidates at this point of time. Nonetheless, Board appreciates the recommendation of Practice 5.6 and may utilise independent sources in identifying new candidates in the future, as and when it is necessary.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied	
Explanation on application of the practice	:	The profiles of the Directors are published in the Annual Report 2023 which include their age, gender, directorships in other companies, working experience and any conflict of interest as well as their shareholdings in the Company, if any. The justification to re-elect the retiring Directors to stand for re-election has been included in the Statement accompanying the Company's Notice of the 2 nd Annual General Meeting.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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 NC is chaired by Dr. Lau Cher Han, who is an Independent Non-Executive Director.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Currently, our Board comprises one female Director. The Company is committed to promoting diversity and inclusivity, and will endeavour to increase female representation on the Board should qualified female candidates be available to enrich the perspectives and insights brought to the Board's decision-making process.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Currently, the Company has yet to establish specific policies on gender diversity for senior management. However, the Board is supportive of the recommendation outlined in MCCG 2021 to establish boardroom and workforce gender diversity in the near future.	
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>		
Application	:	Applied
Explanation on application of the practice	:	The Board, Board Committees and individual Directors are assessed annually by the NC and the Directors collectively on the following: • Effectiveness of the Board as a whole • Contribution and performance of each individual Director • Contribution and performance of the Board Committees • Independence of the Independent Non-Executive Directors Annual assessment was conducted and each Director was given the opportunity to provide feedback on the effectiveness of the Board as a whole and the individual performance and contribution to the Board. The results of the assessment were then collated by the Company Secretary and tabled to the NC for deliberation. The NC is satisfied with the effectiveness of the Board and the Board Committees based on the results of the annual assessment conducted. The results of the assessment were further affirmed by the Board.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied	
Explanation on application of the practice	:	The RC and the Board will work diligently to ensure that the Group's remuneration policy remains aligned with the Group's corporate objectives and interest of shareholders. The remuneration packages of Directors and Key Senior Management are carefully structured to attract and retain persons of high calibre. The Terms of Reference of the RC can be viewed at the Company's website at www.agmo.group.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board has set up an RC which comprises solely Independent Non-Executive Directors in order to assist the Board in determining the remuneration of Directors and Key Senior Management. The RC conducts an annual review and provides recommendations to the Board on the remuneration package for the Board members and Key Senior Management, taking into account their respective contributions throughout the year. Non-Executive Directors' fees are determined by the Board as a whole with the Director concerned abstaining from deliberations and voting on decisions in respect of his/her fee. The Terms of Reference of the RC is made available to the public on the Company's website at www.agmo.group.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The detailed disclosures on a named basis for the remuneration of individual directors are provided in the Corporate Governance Overview Statement in the Annual Report 2023.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Low Hann Yong	Non-Executive Non-Independent Director	30	-	-	-	-	-	30	30	-	-	-	-	-	30
2	Tan Aik Keong	Executive Director	-	-	-	-	-	-	-	-	-	197	15	-	26	238
3	Low Kang Wen	Executive Director	-	-	-	-	-	-	-	-	-	192	14	-	26	232
4	Dr. Lau Cher Han	Independent Director	30	-	-	-	-	-	30	30	-	-	-	-	-	30
5	Datin Yap Shin Siang	Independent Director	30	-	-	-	-	-	30	30	-	-	-	-	-	30
6	Mohd Fairuz bin Mohd Azrul	Independent Director	30	-	-	-	-	-	30	30	-	-	-	-	-	30

Intended Outcome

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

Practice 8.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The top five senior management’s remuneration on a named basis has not been disclosed due to confidentiality and sensitivity of the remuneration package of senior management. However, the remuneration of Key Senior Management on a named basis is disclosed in bands of RM50,000 in the Corporate Governance Overview Statement in the Annual Report 2023.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1								
2								
3								
4								
5								

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairperson of the ARMC is Datin Yap Shin Siang and she is not the Chairperson of the Board. Having the positions of the Chairman of the Board and Chairperson of the ARMC assumed by different individuals allows the Board to objectively review the ARMC's findings and recommendations.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Company recognised the need to uphold the independence of its external auditors and that possible conflict of interest whatsoever should not arise. Currently, none of the members of the Board nor the ARMC of the Company were former audit partners of the external auditors appointed by the Group. The Company will observe the cooling-off period of at least three (3) years in the event any potential candidate to be appointed as a member of the ARMC was an audit partner of the external auditors of the Group, and this practice is adopted under the Term of Reference of the ARMC.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	The ARMC is responsible for reviewing the audit, recurring audit-related and non-audit services provided by the External Auditors. The ARMC has been 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 ARMC prior to submission to the Board for approval. The effectiveness and performance of the External Auditors will be reviewed annually by the ARMC. To assess or determine the suitability and independence of the External Auditors, the ARMC has taken into consideration the following: • the adequacy of the experience and resources of the external auditors; • 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; • the nature and extent of the non-audit services provided by the external auditor and the appropriateness of the level of fees paid for such services relative to the audit fee; and • whether there are safeguards in place to ensure the objectivity and independence of the audit, and to prevent situations where the audit firm inadvertently assumes the responsibilities of management in the course of providing non-audit services or during the tenure of the external auditor. The External Auditors are appointed or re-appointed annually through shareholders' resolution at the Annual General Meeting ("AGM") based on the recommendation of the Board. The External Auditors are also invited to attend the AGM of the Company to address any enquiries from shareholders regarding the statutory audit process and the preparation and contents of the audited financial statements. The ARMC is satisfied with the competence and independence of the External Auditors for the financial year ended 31 March 2023. Having regard to this, the Board approved the ARMC's recommendation for the shareholders' approval to be sought at the AGM on the re-appointment

	of Messrs. Grant Thornton Malaysia PLT as the External Auditors of the Company.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	Currently, the ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors.

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied	
Explanation on application of the practice	:	All members of the ARMC are financially literate and actively support the Board in overseeing and scrutinising the financial reporting process. They play a critical role in ensuring the accuracy, adequacy and completeness of the financial reports, while also ensuring compliance with the relevant accounting standards. The members of the ARMC have carried out their duties in accordance with the Terms of Reference of the ARMC. The qualification and experience of the individual ARMC members are disclosed in the Directors’ Profile in the Annual Report 2023. All members of ARMC undertake and will continue to undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules as and when required to enable them to effectively discharge their duties.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board acknowledges that risk management is an integral part of the Group's business operations. It is an ongoing process that involves different levels of management to identify, evaluate, monitor, manage and mitigate the risks that may affect the achievement of its business and corporate objectives. Significant issues related to internal controls and risk management are highlighted to the Board. If deemed necessary, assistance from external parties shall be consulted on issues in which the Board needs to seek an opinion. Details of the Group's risk management and internal control framework are set out in the Statement on Risk Management and Internal Control in the Annual Report 2023.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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 regards risk management and internal control as an integral part of business operations. An approved Risk Management and Internal Control Policy is in place and provides guidance to both the Board and management on risk management, governance and risk processes. The policy sets out the process of risk identification, risk assessment, risk evaluation, risk treatment, monitoring and reporting of risk. Control effectiveness is reviewed to ensure adequate controls are in place to manage the risks identified. The details of the Group's risk management and internal control framework are elaborated in the Statement on Risk Management and Internal Control in the Annual Report 2023, which has been reviewed by the External Auditors.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	The ARMC has taken the role to oversee the risk management function together with the management.

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	The Group outsourced its internal audit function to GovernanceAdvisory.com Sdn. Bhd., an outsourced internal audit service provider which reports directly to the ARMC and assists the Board in assessing the adequacy and effectiveness of the internal control system of the Group. The responsibilities of the Internal Auditors include providing independent and objective reports on the state of internal controls and the significant operating units in the Group to the ARMC, with recommendations for improvement to the control procedures, so that remedial actions can be taken in relation to weaknesses noted in the systems. The Internal Auditors are also required to perform periodic testing of the internal control systems to ensure that the system is robust. The details of the internal audit function are set out in the ARMC report in the Annual Report 2023.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 11.2

The board should disclose—

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

Application	:	Applied
Explanation on application of the practice	:	The Group's internal audit function is outsourced to a professional services firm namely GovernanceAdvisory.com Sdn. Bhd., headed by Mr. Wong Tchen Cheg, who is an Associate Member of the Institute of Internal Auditors Malaysia, member of the Malaysian Institute of Accountants and Certified Practising Accountant (CPA) Australia. He has vast experience and exposure in the Internal Audit field. There was a total of three (3) personnel deployed for the Group's internal audit reviews. The internal audit reviews were conducted using a risk-based approach and were guided by the International Professional Practice Framework issued by the Institute of Internal Auditors. None of the internal audit personnel have any relationships or conflicts of interest that could impair their objectivity and independence in performing their internal audit functions. The details of the internal audit function are elaborated in the ARMC Report in the Annual Report 2023.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Board recognises that information is the lifeblood of the capital market and that effective communication between the Group and its stakeholders is imperative for informed decision-making. The Group also places a strong emphasis on the importance of timely and equitable dissemination of information to shareholders and other stakeholders. Whilst the Group endeavours to provide as much information as possible to its stakeholders, it is mindful of the legal and regulatory framework governing the release of material and price-sensitive information. The communication channels used in the Company’s engagement with its stakeholders include: a) Company’s website; b) Announcements via Bursa Link; c) Annual Reports; and d) General Meetings.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Board recognises the AGM as an invaluable platform for shareholders to engage with both the Board and Senior Management in a productive dialogue and provide constructive feedback that contributes to the overall performance of the Group. The Board, therefore, endeavours to provide shareholders with adequate time to consider the resolutions that will be discussed and voted upon during the AGM and to facilitate informed decision-making by the shareholders. In this regard, the notice for the 2nd AGM was given at least 28 days prior to the AGM.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	Barring any unforeseen circumstances, all Directors are expected to be present at the forthcoming AGM of the Company to allow shareholders to raise questions and concerns directly to those responsible.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate—

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

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

Application	:	Applied	
Explanation on application of the practice	:	The previous AGM was held on 16 August 2022, fully virtual via Remote Participation and Voting Facilities (“RPV”). The forthcoming 2 nd AGM will be conducted virtually through live streaming and RPV Facilities from the broadcast venue at Level 43A, MYEG Tower, Empire City, No.8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor Darul Ehsan.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.4

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>		
Application	:	Applied
Explanation on application of the practice	:	The Chairman of the Board will ensure that the upcoming 2 nd AGM supports meaningful engagement between the Board, senior management and the shareholders. Opportunities will be given to shareholders to submit questions prior to the AGM via email to ir@agmostudio.com and/or submission of typed texts via the RPV during the AGM. The Chairman will further ensure that sufficient time is allocated to address questions received from shareholders.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>		
Application	:	Applied
Explanation on application of the practice	:	As the Company was only listed on 18 August 2022, the upcoming AGM will be the Company's first AGM as a public listed company. The upcoming AGM will be held on a virtual basis via the Vote2U online meeting platform. The Chairman of the AGM will encourage shareholders to pose questions during the meeting by using the query box provided within the RPV. At the "Questions and Answers" session of the meeting agenda, the relevant Board member will read out the questions posed by shareholders before providing response to the questions raised.
Explanation for departure	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	As the Company was only listed on 18 August 2022, the Company will ensure the minutes of the coming 2 nd AGM is circulated to shareholders no later than 30 business days after the AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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

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

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