

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Your Board of Directors recognises the importance of sound corporate governance and will continue to enhance its role in ensuring that the highest standard of corporate governance is practiced throughout the Group. The principles and best practices set out in the Malaysian Code on Corporate Governance 2021 (“Code”) and pursuant to Paragraph 15.25 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) have been complied by the Group wherever possible in observing the highest standard of transparency, accountability and integrity unless otherwise stated.

Your Board is pleased to provide an overview of the application of the principles set out in the application of the Code by the Group during the period under review. Details of the application of the principles of the Code are provided in the Corporate Governance Report which can be found on the Company’s website at www.tomei.com.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. BOARD ROLES AND RESPONSIBILITIES

Board responsibilities

Our Board is made up of Ten (10) members of which Four (4) are Executive Directors and Six (6) are Non-Executive Directors.

Executive Directors

Datuk Ng Yih Pyng	Non-Independent
Datin Choong Chow Mooi	Non-Independent
Mr Ng Yih Chen	Non-Independent
Ms Ng Sheau Yuen	Non-Independent

Non-Executive Directors

Yang Mulia Raja Tan Sri Dato’ Seri Aman Bin Raja Haji Ahmad	Non-Independent
Tan Sri Dr Madinah Binti Mohamad	Independent
Mr Lau Tiang Hua	Non-Independent
Ms Chin Min Ming	Independent
Mr Tan Chee Beng (<i>Appointed on 21 August 2025</i>)	Independent
Mr Lau Chia En (<i>Appointed on 10 February 2026</i>)	Non-Independent
Mr Choo Chee Beng (<i>Resigned on 1 October 2025</i>)	Independent
Dato’ Zuraidah Binti Atan (<i>Resigned on 10 February 2026</i>)	Independent

The Independent Non-Executive Directors strengthen your Board in providing unbiased and independent opinion on significant matters to arrive at a fair and informed decision. Drawing from their expertise and experience, the Non-Executive Directors contribute to the formulation of policies and decision making process.

During the period under review, your Board took full responsibility and retained full and effective control over the affairs of the Group. Your Board’s primary focus and responsibilities include the followings:

- a) Reviewing and approving the strategic business plan of the Group;
- b) Monitoring corporate performance and the conduct of the Group’s business and ensuring compliance with the Code and Paragraph 15.25 of the MMLR;
- c) Identifying and implementing appropriate systems of internal control to manage principal risks through the Audit and Risk Management Committee (“ARMCO”);

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- d) Ensuring succession planning for top management;
- e) Ensuring a transparent Board nomination and remuneration process;
- f) Reviewing the effectiveness of the Group's system of risk management as well as the adequacy and integrity of the Group's internal control system and management information system for compliance with applicable standards and laws and regulations;
- g) Developing and implementing an investor relation program or shareholders' communication policy for the Company;
- h) Developing an ethical standard for the Group by establishing a code of conduct and ensure its compliance;
- i) Setting the Company's sustainability strategies, priorities and targets;
- j) Ensure that all directors are able to understand financial statements and form a view on the information presented; and
- k) Ensure the integrity of the Company's financial and non-financial reporting.

Board Charter

The Board recognises that effective governance begins with strong leadership and a clear division of roles and responsibilities. The Board Charter on the Company's website at www.tomei.com.my, which sets out the roles, functions and responsibilities of the Board, Board Committees and executives function, serves as the cornerstone of the Company's governance framework and is reviewed periodically to ensure continued relevance to evolving regulatory expectations and best practices.

Code of Conduct

Your Board has developed an ethical standard refers to as the Code of Conduct for the Group and ensures its compliance. This includes a strategic mission and vision statements and core values to guide the Group in its daily operation. Your Board reviews the Code of Conduct regularly to ensure that new requirements and suggestion of best practices are being updated and incorporated into the code.

Director's Fit and Proper Policy

Your Board has adopted a Directors' Fit and Proper Policy to ensure that Directors possess the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out their roles and responsibilities effectively in the best interest of the Group and its stakeholders.

Conflict of Interest Policy

Your Board is guided by the Company's Conflict of Interest Policy in dealing with matters which could give rise to situation that conflicts the interest of the Company. The policy ensures that actual, potential and perceived conflicts of interest are identified and managed effectively.

Board meetings

Your Board meets regularly at least four (4) times a year at quarterly intervals with additional meetings to be convened as and when required. Prior to each meeting, every Director is given the complete agenda and a set of Board Papers for each agenda item well in advance so that your Directors have ample time to review matters to be deliberated at the meeting and to facilitate informed decision making by your Directors.

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During the financial year ended 31 December 2025, there were five (5) Board Meetings held and the details of attendance are as follows:

Name	26-Feb-25	15-Apr-25	22-May-25	21-Aug-25	20-Nov-25	Attendance
Datuk Ng Yih Pyng	√	√	√	√	√	5/5
Datin Choong Chow Mooi	√	√	√	√	-	4/5
Ms Ng Sheau Yuen	√	√	√	√	√	5/5
Mr Ng Yih Chen	√	√	√	√	√	5/5
Yang Mulia Raja Tan Sri Dato' Seri Aman Bin Raja Haji Ahmad	√	√	√	√	√	5/5
Mr Lau Tiang Hua	√	√	√	√	√	5/5
Tan Sri Dr Madinah Binti Mohamad	√	√	√	√	√	5/5
Dato' Zuraidah Binti Atan	√	√	√	√	√	5/5
Ms Chin Min Ming	√	√	√	√	√	5/5
Mr Tan Chee Beng	N/A	N/A	N/A	N/A	√	1/1
Mr Choo Chee Beng	√	√	√	√	N/A	4/4
Mr Lau Chia En	N/A	N/A	N/A	N/A	N/A	-

In addition, the Executive Directors meet regularly to discuss the corporate strategy, the business operations and the results of the business units within the Group.

Board Committees

In order to ensure effectiveness of the Board, your Board has delegated certain of its responsibilities to the Board Committees which operate within clearly defined terms of reference to carry out these responsibilities in a supporting role to your Board.

These Committees comprising members of your Board are empowered to deliberate and examine issues delegated to them and report back to your Board with their recommendations and comments.

The terms of reference of all the Board Committees are being disclosed on the Company's website at www.tomei.com.my. Your Board is assisted by three (3) Board Committees as follows:

- 1) ARMCO
- 2) Nomination Committee
- 3) Remuneration Committee

The report of the ARMCO and the Nomination Committee are presented in the ARMCO Report and Nomination Committee Statement section of this Annual Report.

Remuneration Committee

The Remuneration Committee comprises three (3) members, made up of Non-Executive Directors, majority of whom are independent as follows:

Name	Designation
Mr Lau Tiang Hua	Chairman
Ms Chin Min Ming	Member
Mr Tan Chee Beng (<i>Appointed on 20 November 2025</i>)	Member
Mr Choo Chee Beng (<i>Resigned on 1 October 2025</i>)	Member

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The Committee's duties and responsibilities are:

- a) To ensure that a transparent and formal procedure is established in the development and assessment of the level of compensation that would be sufficient to attract and retain good caliber Directors;
- b) To review the components of remuneration package such as fees, allowances, basic salaries, bonuses and other benefits-in-kind for Directors;
- c) To ensure that the Directors' remuneration package is linked to the level of responsibility and performance and is benchmarked against market practice; and
- d) To review key management personnels' remuneration package benchmarked against their performance and to ensure that their rewards earned are within industry practice.

The Company has a Remuneration Policy that governs the policies and procedures in reviewing, setting and proposing a fair and equitable remuneration for the Company's Directors and Key Senior Management. The Remuneration Committee is responsible for the reviewing and implementation of the Remuneration Policy.

During the financial year ended 31 December 2025, there was one (1) Remuneration Committee meeting and the details of attendance are as follows:

Name	20-Nov-25	Attendance
Mr Lau Tiang Hua	√	1/1
Ms Chin Min Ming	√	1/1
Mr Tan Chee Beng	N/A	-
Mr Choo Chee Beng	N/A	-

Supply of information

Your Board has full and unrestricted access to information concerning the Group from the senior management and the external auditors to enable them to discharge their duties effectively. Your Board may also seek advice of external independent professionals at the Group's expense. During the financial year under review, your Board has not engaged the service of any professionals to discharge its duties.

All significant matters requiring Directors' decision are disseminated to your Board at least five (5) days before the date of meeting to enable your Board to make an informed decision. Relevant personnel of the Group could be summoned to the Board meeting to further brief your Board as and when required.

Your Board has direct access to the advice and services of a qualified Company Secretary who is responsible to advise your Board on matter concerning necessary compliance and governance. The Company Secretary also ensures that all Board procedures are followed and that applicable laws and regulations are complied with. The appointment and removal of the Company Secretary lies within the power of your Board.

Directors' training

Details of trainings attended by the directors are provided in the Nomination Committee Statement section of this Annual Report.

2. BOARD COMPOSITION

Your Board consists of members from a wide range of discipline and background, providing an in-depth and diversified experience for the benefit of the Group's operation. All Independent Directors are free from any material business dealings and other relationships with the Group and therefore play a crucial role in corporate accountability with their unbiased and independent view, advice and judgement in the decision-making process.

The profile of the members of your Board are set out in the Profile of the Board of Directors section of this Annual Report.

Details of the Board diversity, independence, re-election and re-appointment are provided in the Nomination Committee Statement section of this Annual Report.

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Segregation of role

The Group's Non-Independent Non-Executive Chairman does not hold an executive function and plays a crucial role in providing overall business direction. The Chairman conducts and sets the tone during your Board meeting and facilitate meaningful deliberation of the meeting agenda. In line with the recommendation of the Code, the Chairman does not sit on any of the Board Committee established by your Board.

The Group Managing Director serves as the head of the Management team and is responsible for the implementation of the direction and strategy of the Group as laid down by your Board.

This segregation of role is vital to ensure a balance of power and authority.

Currently the Group has ten (10) directors, whereby four (4) of the directors are in executive role. The other six (6) directors, both the independent and non-independent do not hold any executive function within the Group.

3. DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION

The Company's Remuneration Policy for Directors and senior management is tailored towards attracting and retaining Directors and senior management personnel with relevant experience and expertise needed to assist in managing the Group effectively. The Remuneration Committee carries out the annual review of the overall remuneration for Directors and key senior management personnel whereupon recommendations are submitted to your Board for approval.

The breakdown of the Directors' remuneration for financial year ended 2025 is set out below:

	Fees (Company) (RM)	Allowance (Company) (RM)	Remuneration (RM)	Benefits- in-kind (RM)	Total (RM)
EXECUTIVE DIRECTOR					
Datuk Ng Yih Pyng	10,800	-	1,402,659	28,000	1,441,459
Datin Choong Chow Mooi	10,800	-	1,006,196	28,000	1,044,996
Mr Ng Yih Chen	10,800	-	920,702	17,400	948,902
Ms Ng Sheau Yuen	10,800	-	920,702	17,400	948,902
Total for Executive Directors	43,200	-	4,250,259	90,800	4,384,259
NON-EXECUTIVE DIRECTOR					
Yang Mulia Raja Tan Sri Dato' Seri Aman Bin Raja Haji Ahmad	114,000	7,000	-	-	121,000
Tan Sri Dr Madinah Binti Mohamad	108,000	7,000	-	-	115,000
Mr Lau Tiang Hua	96,000	7,000	-	-	103,000
Ms Chin Min Ming	84,000	7,000	-	-	91,000
Mr Tan Chee Beng (Appointed on 21 August 2025)	30,484	1,400	-	-	31,884
Mr Lau Chia En (Appointed on 10 February 2026)	-	-	-	-	-
Mr Choo Chee Beng (Resigned on 1 October 2025)	63,000	5,600	-	-	68,600
Dato' Zuraidah Binti Atan (Resigned on 10 February 2026)	84,000	7,000	-	-	91,000
Total for Non-Executive Directors	579,484	42,000	-	-	621,484
Total Remuneration	622,684	42,000	4,250,259	90,800	5,005,743

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The Directors' fees paid has been approved by the Company's shareholders at the previous Annual General Meeting ("AGM") of the Company on 22 May 2025.

The remuneration paid to the top four senior management personnel other than the above Executive Directors of the Group for the financial year ended 31 December 2025 was RM1,590,266.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

1. FINANCIAL REPORTING

The Directors' Responsibility Statement made pursuant to Paragraph 15.26(a) of the MMLR of Bursa Securities in relation to the Financial Statements is disclosed in the Director's Responsibility Statement section of this Annual Report.

2. ARMCO AND EXTERNAL AUDITORS

The ARMCO assists your Board in scrutinising the information for disclosure to ensure its accuracy, adequacy and completeness.

The Company's external auditors will provide their independent opinion to shareholders on the Group's and the Company's financial statements. Your Board maintains a formal and transparent relationship with the auditors to affirm the auditors' independence.

The ARMCO discusses with the external auditors on both the audit plan and their scope of audit before the commencement of audit work. The ARMCO is also being briefed by the auditor on their audit report upon the completion of audit. In addition, the ARMCO meets up with the external auditors at least two (2) times a year without the presence of the Management to discuss and obtain feedback on sensitive audit issues.

In determining the independence of the external auditors, the ARMCO has reviewed all aspects of relationships between the Group and the external auditors including the processes, policies and safeguards relating to audit independence and agreed on the audit strategy and the audit fee. The external auditors also declare their independence to the ARMCO during their audit planning.

The ARMCO has considered the non-audit services provided by the external auditors and its affiliated companies and is satisfied that the provision of those non-audit services during the year does not compromise the external auditors' independence.

The external auditors are also invited to attend the Company's AGM and are available to take questions from the shareholders on issues pertaining to their audit report.

The detailed role of the ARMCO in relation to the external auditors is described in the ARMCO Report section of this Annual Report.

3. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Your Board acknowledges its overall responsibility for maintaining a sound system of internal control and risk management to safeguard shareholders' investment and the Group's and the Company's assets.

The ARMCO supports your Board's oversight responsibilities by monitoring financial reporting processes, the effective internal controls and compliance with applicable laws and listing requirements. The Group's internal audit function is carried out by the in-house Internal Auditor which reports directly to the ARMCO. Details of the internal audit function are provided in the ARMCO Report section of this Annual Report.

The Statement on Risk Management & Internal Control section of this Annual Report provides an overview of the risk management and state of internal control within the Group.

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PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

1. COMMUNICATION WITH STAKEHOLDERS

Your Board recognises the importance of maintaining transparency and accountability to its stakeholders and is committed to provide the highest possible level of disclosure to ensure integrity and consistency of the financial reports.

Your Board keeps stakeholders informed via announcements and timely release of quarterly financial results, press releases, annual reports and circulars to shareholders. These information are also made available on the Company's website at www.tomei.com.my.

Your Board through the Management also takes effort to communicate with investors on regular basis to provide up to date information on latest material development in the Group.

2. CONDUCT OF GENERAL MEETINGS

Shareholders' meeting such as the AGM and/or Extraordinary General Meetings serve as the principal forum for constructive dialogue and communication between your Directors and the shareholders. At the meeting, shareholders are given direct access to your Board and are encouraged to participate in its proceedings including seeking clarification on the meeting agenda and the Group's operating and financial performance.

The Company hold physical general meeting and implements a poll voting for all the resolutions set out in the notice of meeting via electronic means at the meeting to expedite verification and counting of votes. In addition, the Company appoints one (1) scrutineer to validate the votes casted at the meeting.

3. PROMOTES SUSTAINABILITY

Your Board recognises its responsibility and is committed to promote sustainability of its business which are aligned and embedded into the Group's day to day business activities. In promoting sustainability, the Group integrates good practices in the area of environmental, social and governance into its business culture and strategy. Details on sustainability initiatives and practices are provided in the Sustainability Statement section of this Annual Report.

STATEMENT ON COMPLIANCE WITH THE BEST PRACTICES OF THE MALAYSIAN CODE ON CORPORATE GOVERNANCE 2021

Having reviewed the governance structure and practices of the Group, your Board considers that it has complied with the best practices as set out in the Code unless otherwise stated as well as the items set out in Part A of Appendix 9C of the MMLR of Bursa Securities in relation to the requirement of a separate disclosure in the Annual Report.

This Corporate Governance Overview Statement is made in accordance with the resolution of the Board of Directors dated 9 April 2026.