

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 6432  
**COMPANY NAME** : Apollo Food Holdings Berhad  
**FINANCIAL YEAR** : April 30, 2023

## OUTLINE:

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

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

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

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

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

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

### Intended Outcome

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

### Practice 1.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is responsible for the governance of the Group's overall performance. In order to discharge its roles and responsibilities, the Group has set up and assigned certain duties to three (3) Committees, namely Audit Committee, Nomination Committee, and Remuneration Committee, in ensuring the Board's obligations to its shareholders and other stakeholders are met.</p> <p>(a) The Board, together with senior management, promote good corporate governance culture within the Company which reinforces ethical, prudent and professional behaviour.</p> <p>A formal Board Charter is set up to provide clear roles and responsibilities of the Board, including the responsibilities that are delegated to each of the Board Committees or the management as well as membership and operation of the Board.</p> <p>To reinforce ethical, prudent and professional behaviour of the Company, the Board has set up the Code of Conducts and Ethics, Anti Bribery and Corruption Policy and Whistle Blowing Policy which can be found on the Company's official website at <a href="http://www.apollofood.com.my">www.apollofood.com.my</a>.</p> <p>(b) The Board ensures that the strategic plan of the Group supports long-term value creation.</p> <p>The Board meets at least four (4) times a year to review the Group's overall business strategies, business operations and financial results. The Executive Chairman and Managing Director will update the Independent Non-executive Directors regularly on any changes of the Group's business strategies and business operations. The Independent Non-executive Directors will voice out their concerns on the changes and a discussion will be held on it.</p>

	<p>(c) The Board supervises and assesses the management’s performance to determine whether the business is being properly managed.</p> <p>The Board assisted by the Remuneration Committee to perform annual assessment on the performance of Executive Directors and senior management to ensure that they are awarded appropriately for their contribution to the Group’s growth. The Remuneration Committee will assess the completion of job responsibilities of the Executive Directors and senior management to ensure the Group is managed properly.</p> <p>(d) The Board ensures there is a sound framework of internal controls and risk management.</p> <p>Audit Committee assists the Board in reviewing and ensuring appropriate internal controls and risk management are well functioning within the Group’s operation. Any weaknesses on the internal controls and risk management will be highlighted by the internal audit function which is overseen by the Audit Committee.</p> <p>Kindly refer to the Annual Report - Statement on Risk Management and Internal Control for further details.</p> <p>(e) The Board ensures there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risk.</p> <p>Risk Management Committee has been set up under the supervision of the Executive Chairman in identifying, evaluating, and managing the risks. The Board has delegated the role to review risk management to Audit Committee to ensure the risk management framework and policy are functioning well within the organization.</p> <p>During the financial year, the Risk Management Committee conducted a review and assessment exercise whereby existing significant financial and non-financial risks are reviewed with emerging risks identified assessed. The risks identified are then incorporated into the Risk Sheets for on-going risk monitoring and assessment.</p> <p>(f) The Board ensures senior management has appropriate skills and experiences and there are measures in place to provide for orderly succession of Board and senior management.</p> <p>Nomination Committee is responsible in recruiting and ensuring senior management possess necessary skills and experiences in performing their daily job activities. In order to discharge its responsibility on succession planning, the Nomination Committee is responsible in seeking and identifying new candidates equipped with relevant skills and experiences to the Board.</p>
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	<p>(g) The Board ensures effective communication with stakeholders is in place.</p> <p>Announcements, quarterly and annual reporting are released on time to the public as per Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Main LR”). The stakeholders can obtain the information via Bursa website on <a href="http://www.bursamalaysia.com">www.bursamalaysia.com</a> or Company’s official website at <a href="http://www.apollofood.com.my">www.apollofood.com.my</a>.</p> <p>The Board also ensures effective communication with stakeholders is in place whereby stakeholders are given chances to raise questions to the Board during its annual general meeting. Upon request, the Managing Director will meet up with institutional investors, press and investment analysts to provide them a better understanding of the Group’s operation.</p> <p>(h) The Board ensures the integrity of the Group’s financial and non-financial reporting.</p> <p>The Audit Committee assists the Board in reviewing financial reporting such as quarterly and annual financial results and non-financial reporting such as disclosures and statements included in the annual report to ensure the Group follows with relevant accounting standards and Main LR.</p> <p>Audit Committee meets at least four (4) times a year and held discussions with both external and internal auditors to ensure the integrity of the Group’s financial and non-financial reporting is in place.</p>
<p><b>Explanation for departure</b> :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b> :</p>	
<p><b>Timeframe</b> :</p>	

### Intended Outcome

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>The Executive Chairman is elected by the Board members and has considerable experience in the Group's business.</p> <p>The responsibilities of the Executive Chairman include:</p> <ul style="list-style-type: none"> <li>• Providing leadership for the Board so that the Board can perform its responsibilities effectively and in the oversight of the Management and ensure its effectiveness of all aspects of its roles;</li> <li>• Setting the Board agenda and ensuring that Board members receive complete and accurate information in a timely manner to facilitate decision-making on a timely basis;</li> <li>• Leading Board meetings and discussions;</li> <li>• Encouraging active participation and allowing dissenting views to be freely expressed;</li> <li>• Managing the interface between Board members as well as Board and management;</li> <li>• Leading the Board in establishing and monitoring good corporate governance practices in the Company and providing governance in matters requiring corporate justice and integrity;</li> <li>• Ensure stakeholders' views are communicated effectively to the Board as a whole; and</li> <li>• Maintain effective professional relationship with external parties, investing public, regulatory bodies and trade associations.</li> </ul>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

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

### Intended Outcome

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 the Executive Chairman and Managing Director (acting as CEO) are held by different individuals in order to promote accountability of Board's discussion and decision making.</p> <p>The Executive Chairman is Mr. Liang Chiang Heng while the Managing Director (acting as CEO) is Mr. Liang Kim Poh.</p> <p>Executive Chairman is responsible to lead the Board in its collective oversight of management whilst the Managing Director is primarily responsible in implementing the Board's decisions and oversees the Group's business and day-to-day management.</p> <p>Although the Executive Chairman is a non-independent director, the Company is benefiting from his vast experience in the industry and the Group's business to lead the Board in forming overall strategies and objectives of the Group in the challenging business 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

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> :	The Chairman of the Board, Mr Liang Chiang Heng 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 Board is supported by external Company Secretaries who are qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016.</p> <p>The role and responsibilities of the Company Secretary include:</p> <ul style="list-style-type: none"> <li>• Manage, attend, and record minutes of all Board and Board committee meetings;</li> <li>• Prepare meeting agendas and facilitate Board communications;</li> <li>• Advise the Board on its roles and responsibilities;</li> <li>• Advise the Board on corporate disclosures and compliance with Company and securities regulation and listing requirements;</li> <li>• Manage processes pertaining to the annual general meeting; and</li> <li>• Monitor corporate governance developments and assist the Board in applying governance practices.</li> </ul> <p>All Directors have access to the advice and services of the Company Secretaries in discharging their responsibilities.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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>Notices, agenda, Board papers, and other meeting materials of each meeting are issued at least five (5) business days prior to the meetings so that Directors have sufficient time to go through all meeting materials.</p> <p>Upon conclusion of the meeting, the minutes are prepared by the Company Secretaries and distributed to all Directors in a timely manner and tabled for review in the next meeting.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

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

**Practice 2.1**

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

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board has a Board Charter which sets out the role and responsibilities of the Board, including the responsibilities that are delegated to Board Committees or the management as well as membership and operation of the Board.</p> <p>The Board Charter is reviewed periodically and revised whenever there are changes in the needs of the Company or applicable laws, rules, and regulations in Malaysia.</p> <p>The Board Charter is available on the Company's official website at <a href="http://www.apollofood.com.my">www.apollofood.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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>A Code of Conduct and Ethics is to articulate acceptable practices and to guide the behaviour of directors, management and employees of the Group when deal in situations that involve compliance with laws, rules and regulation, conflict of interest, anti-corruption, confidentiality, insider trading, and improper use of Company's assets.</p> <p>The Code of Conduct and Ethics is formulated based on three principles – Integrity, Accountability, and Duty to Act in the Public Interest and Best Practice of the Company.</p> <p>The Code of Conduct and Ethics is available on the Company's official website at <a href="http://www.apollofood.com.my">www.apollofood.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 3.2

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>Whistleblowing policy is set up to provide an avenue for employees or non-employees (including suppliers, customers, shareholders, and other stakeholders) to report genuine concerns in relation to misconducts or criminal offences in the workplace.</p> <p>The identity of the whistleblower is protected and the Board will treat all the disclosures in confidential and ensure that there will be no reprisal or disciplinary actions taken on the whistleblower. Any discovery or suspected of misconducts or inappropriate practices can be reported via <a href="mailto:johnson@jkdaavidco.com">johnson@jkdaavidco.com</a> (Mr Johnson).</p> <p>This policy is overseen by Audit Committee and is available for reference on the Company's official website at <a href="http://www.apollofood.com.my">www.apollofood.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 recognises the importance of continuously developing and improving the business operations of the Company in a sustainable and responsible manner.  The Board has established a Sustainability and Risk Management Committee ("SRMC"). SRMC is tasked with the duties to implement the sustainability framework and strategies approved by the Board within the Company.	
<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>	:	<p>The Board recognises that stakeholder engagement plays a vital role to ensure the business pursued by the Company is sustainable in long term.</p> <p>The Sustainability Statement is disclosed in annual report to provide the internal and external stakeholders a better understanding in the Company’s sustainability strategies, priorities and target.</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 4.3**

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 Board is kept abreast by the Audit Committee on the Company's sustainability matters. The Audit Committee oversees the sustainability management and performance of the Company for reporting to the Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**Intended Outcome**

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

**Practice 4.4**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board reviewed its performance in addressing the Company's material sustainability risks and opportunities annually.</p> <p>A Sustainability and Risk Management Committee is established to monitor and review all the sustainability matters of the Company.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<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 Nomination Committee ("NC") reviews the performance of the Board, Board Committee and individual Directors annually. NC also reviews the required mix of skills and experience on the Board to ensure the appropriate balance and size of independent and non-independent participation.</p> <p>In accordance with the Constitution of the Company, one-third (1/3) 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 (1/3), shall retire from the office and eligible for re-election at every annual general meeting.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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>	:	As at 30 April 2023, the Board consists of five (5) members – two (2) Executive Directors and three (3) Independent Non-executive Directors.  In overall, more than half of the Board comprises of independent directors.	
<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>	:	As at 30 April 2023, none of the Independent Directors have held the position for a cumulative term of more than nine (9) years.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.4 - Step Up**

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

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
<b>Application</b> :	Not Adopted
<b>Explanation on adoption of the practice</b> :	

## Intended Outcome

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

## Practice 5.5

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Nomination Committee is responsible for the identification and making of recommendations on any nomination of senior management and new Directors to the Board.</p> <p>New member of the Board and senior management are selected for, among other things, their integrity, independence, diversity in terms of age, gender, ethnicity and experience, leadership and the ability to exercise sound judgment relevant to the Company's business.</p> <p>For the appointment of new Directors and senior management, all nominees are first considered by the Nomination Committee, before making recommendation to the Board via below primarily five stages:</p> <ol style="list-style-type: none"><li>1. Identification of candidates</li><li>2. Evaluation of suitability of candidates based on the selection criteria</li><li>3. Meeting up with candidates</li><li>4. Final deliberation by nomination committee</li><li>5. Recommendation to the Board</li></ol> <p>They ensure the new individuals possess appropriate experience and knowledge to fulfil the respective roles and duties in Board and senior management.</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

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 consists of majority independent directors who are competent and professionals in their respective fields. The Board will prioritise candidates recommended by existing Board members or major shareholders before the use of independent sources.</p> <p>Unless there are no qualified candidates recommended by the existing Board members or major shareholders, the Board will utilise independent sources to identify suitably qualified candidates.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 5.7

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The profiles of the Directors who are standing for re-election are disclosed in the Company's Annual Report 2023. During the financial year, the Board has supported those directors standing for re-election through an annual assessment carried out by the Nomination Committee and they met the criteria as prescribed under Paragraph 2.20A of the MMLR on character, experience, integrity, competence and time commitment in discharging their roles as Directors.	
<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 5.8**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Nomination Committee is chaired by an Independent Non-Executive Director – Ms Foo Swee Eng.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	During the financial year, there's only one (1) women director, namely Ms Foo Swee Eng, sitting on the Board. The Board will continue its endeavour to meet the gender diversity target of 30% women directors' participation.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 5.10

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board recognises the importance of a gender diverse Board that can offer greater benefits, depth and breadth to the Group's business strategies.  A gender diversity policy has been set up and published in the Company's official website: <a href="http://www.apollofood.com.my">www.apollofood.com.my</a>  As at 30 April 2023, there is one (1) female director sitting on the Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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> :	The Nomination Committee carries out the evaluation on the effectiveness of the Board, its committee and each individual director on a yearly basis. The Board has also taken a self-evaluation and peer review approach.
<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 Remuneration Committee reviews and makes recommendations to the Board on the remuneration and other entitlements of the Executive Directors and senior managements to ensure they are rewarded appropriately for their contribution to the Group's growth and profitability. Remuneration of Non-Executive Directors is linked to their level of responsibilities.</p> <p>The Executive Directors and senior management play no part in the deliberations and decisions on their remuneration while the Non-Executive Directors abstain from deliberations and voting on decisions in respect of his/her remuneration.</p> <p>The policy is made available on the Company's official website at <a href="http://www.apollofood.com.my">www.apollofood.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 level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

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

### Practice 7.2

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

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Remuneration Committee members are appointed by the Board and the members must be Non-executive Directors with a majority of them being Independent Directors.</p> <p>The Committee has abided with its written Terms of Reference, including the duties and responsibilities as below:</p> <ul style="list-style-type: none"> <li>• To review and make recommendations to the Board on remuneration and other entitlements for all Directors and senior management.</li> <li>• To ensure remuneration of Non-Executive Directors and senior management is linked to their level of experiences and responsibilities.</li> </ul> <p>The written Terms of Reference is made available on the Company's official website at <a href="http://www.apollofood.com.my">www.apollofood.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 remuneration breakdown of individual directors on named basis is disclosed in the Group's annual report for financial year ended 30 April 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	Liang Chiang Heng	Executive Director	70	5	Input info here	Input info here	Input info here	Input info here	75	Input info here	Input info here	4,516	Input info here	Input info here	519	5,110
2	Liang Kim Poh	Executive Director	50	3	Input info here	Input info here	Input info here	Input info here	53	Input info here	Input info here	2,372	Input info here	Input info here	272	2,697
3	Foo Swee Eng	Independent Director	63	8	Input info here	Input info here	Input info here	20	91	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Halid Bin Hasbullah	Independent Director	60	8	Input info here	Input info here	Input info here	Input info here	68	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Johnson Kandasamy A/L David Nagappan	Independent Director	57	8	Input info here	Input info here	Input info here	Input info here	65	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
6	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
7	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
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

### Intended Outcome

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

### Practice 8.2

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

<b>Application</b>	:	Applied – the company discloses the remuneration of members senior management who are not members of the board
<b>Explanation on application of the practice</b>	:	There are four (4) key management personnel of the Group – Mr. Liang Kim Tee, Mr. Liang Thong Guan, Mr. Lim Ka Ming and Ms. Tan Sew Eng.  Their remunerations are disclosed in bands of RM50,000 in the annual report for financial year ended 30 April 2023.
<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>	:	

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Liang Kim Tee	Production Director	1,800,001-1,850,000	Choose an item.	Choose an item.	Choose an item.	Choose an item.	1,800,001-1,850,000
2	Liang Thong Guan	Technical Director	1,350,001-1,400,000	Choose an item.	Choose an item.	Choose an item.	Choose an item.	1,350,001-1,400,000
3	Lim Ka Ming	General Manager - Production	200,001-250,000	Choose an item.	Choose an item.	Choose an item.	Choose an item.	200,001-250,000
4	Tan Sew Eng	Senior Accountant	100,001-150,000	Choose an item.	Choose an item.	Choose an item.	Choose an item.	100,001-150,000
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>To withhold the credibility and independency of Audit Committee, the Chairman of the Audit Committee must be an independent director and he/she is not allowed to become the Chairman of the Board.</p> <p>Mr. Johnson Kandasamy A/L David Nagappan is the Chairman of the Audit Committee while Mr. Liang Chiang Heng is the Chairman 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>	:		

**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>	:	The Board has included this practice into Audit Committee's written Terms of Reference to avoid potential threats and significant influence exert over the audit and preparation of the Company's financial statement from former key audit partner.	
<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>During the financial year, the Audit Committee performs below procedures in assessing the suitability, objectivity and independence of the external auditors:</p> <ul style="list-style-type: none"> <li>• The Audit Committee reviews the external auditor's audit planning memorandum which includes the audit engagement and reporting responsibilities, audit approaches, audit key matters, audit deliverable timelines and proposed statutory audit fee of each financial year.</li> <li>• The Audit Committee holds discussions with external and internal auditors without the presence of management.</li> <li>• External auditors have declared their independence to the Audit Committee.</li> <li>• Annual evaluation and assessment are performed by the Audit Committee on the audit quality, suitability, objectivity and independence of external auditors.</li> <li>• Re-appointment of external auditor for next financial year will only be approved if the Audit Committee is satisfied with the performance, objectivity, and independence of external auditors.</li> </ul>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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>	:	All the three (3) members of the Audit Committee are independent 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Audit Committee members are financially literate and able to raise questions to ascertain whether the financial statements are consistent with operational and other known information during Audit Committee meeting.  Audit Committee members have also attended seminars to upskill themselves on recent changes in the accounting standards and Main LR as per disclosed in annual report for financial year ended 30 April 2023.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

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

**Practice 10.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board affirms its overall responsibility for maintaining a sound risk management and internal control system which include the risk assessment as well as financial, operational, environmental, and compliance controls.</p> <p>The Board delegates the duty of identification, assessment and management of key business risks to the Executive Chairman and its review role to the Audit Committee in order to provide assurance to the Board on the adequacy and effectiveness of the Group’s risk management and internal control system. Risk Management Committee is set up under the supervision of Executive Chairman to manage key business risks faced by the Group adequately.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

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

### Practice 10.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Risk Management Committee is set up under the supervision of Executive Chairman to manage the Group's key business risks. The responsibility for the identification, evaluation and management of the key business risks is delegated to the Executive Chairman and executed by the Risk Management Committee led by Technical Director.</p> <p>Risk assessments are guided by the likelihood rating and impact rating based on the risk tolerance and risk appetite stated in the Risk Management Policy. Risk sheets, which consist of relevant key risks identified rated based on the agreed upon risk rating, are compiled by the Risk Management Committee and reviewed by the Executive Chairman.</p> <p>Respective risk owners are responsible in assessing operational and emerging risks and to formulate effective controls to manage the risks. Critical and materials risks are highlighted to the Executive Chairman for final decision on the formulation and implementation of internal controls. Changes in the key business risks or emergence of new key business risks are highlighted to the Board for deliberation and decision making.</p> <p>The monitoring of the risk management is further enhanced by the internal audits function based on approved internal audit plan under the instruction of Audit Committee.</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**

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

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

**Practice 10.3 - Step Up**

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

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

### Intended Outcome

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

### Practice 11.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The internal audit function is outsourced to an independent professional firm, NeedsBridge Advisory Sdn Bhd, to provide assurance on the adequacy and effectiveness of the Group's risk management and internal control system.</p> <p>The outsourced internal audit function is reporting to the Audit Committee directly. Any proposed internal audit plan and proposed internal audit fees are subject to the review and approval of the Audit Committee.</p> <p>Internal audit reports which include the internal audit findings and recommendations are presented and discussed during the Audit Committee meeting. Update on the status of action plans is followed up and highlighted to the Audit Committee subsequently.</p> <p>To ensure the independency of the internal audit function, internal auditors are not allowed to act on behalf of the management in deciding and implementing management action plans. Audit Committee will assess the objectivity and independency of the internal audit function annually to ensure the function is able to operate effectively.</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 internal audit function is outsourced to an independent professional firm, namely NeedsBridge Advisory Sdn Bhd. The internal audit engagement team is free from any relationships or conflicts of interest which could impair their objectivity and independence.</p> <p>The engagement director of outsourced internal audit function, Mr. Pang Nam Ming, is accredited by the Institute of Internal Auditors Global as Certified Internal Auditor and for Certification in Risk Management Assurance. He is also a professional member of the Institute of Internal Auditors Malaysia.</p> <p>The internal audits are carried out, in all material aspects, in accordance with the International Professional Practices Framework established by the Institute of Internal Auditors Global.</p> <p>During the financial year under review, the resources allocated to the fieldworks of the internal audit performed by the outsourced internal audit function were one (1) manager or assistant manager and consultant(s) per one (1) engagement with oversight performed by the 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

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>Announcements, quarterly and annual financial reports can be accessed via Bursa Malaysia's website at <a href="http://www.bursamalaysia.com">www.bursamalaysia.com</a> and Company's official website at <a href="http://www.apollofood.com.my">www.apollofood.com.my</a>.</p> <p>The Board recognises the importance of disseminating information that is material for shareholders. As such, the Board strives to release the Group's quarterly and annual financial results within two months after the end of each financial quarter and four months after the end of each financial year timely.</p> <p>The Board also provides questions and answers 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>	:	The notice of 29 <sup>th</sup> Annual General Meeting (“AGM”) is released on 25 August 2023, which is more than 28 days prior to the date for AGM on 17 October 2023.	
<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 13.2**

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>	:	Based on existing practices, all directors (except absence due to emergency matter), external auditors, and key management personnel will be attending the annual general meeting.  The Chairman of the Audit, Nomination, and Remuneration Committees is responsive to the questions raised to them respectively.	
<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 general meeting of the Company always held in the city centre of Johor Bahru, Malaysia which is also the headquarter of the Group's business operations.</p> <p>The Company will hold its 29<sup>th</sup> Annual General Meeting virtually which allows for remote shareholders' participants.</p> <p>The conduct of AGM, including Poll Voting will be done electronically via a trusted and reliable platform.</p> <p>The details can be found in the Notice of 29<sup>th</sup> AGM which is also available in the Company's website: <a href="http://www.apollofood.com.my">www.apollofood.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

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>	:	Sufficient time will be allocated in engaging shareholders during the AGM.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>The 29<sup>th</sup> AGM will be held as a fully virtual meeting.</p> <p>The Company used the RPV facilities provided by Tricor Investor &amp; Issuing House Services Sdn Bhd via its TIIH Online website that allowed shareholders to pose questions to the directors and Chairman of AGM via real time submission of typed text.</p> <p>At the questions and answers session, the online platform would broadcast live the questions, remarks and responses. Shareholders were able to experience real time interaction with the directors during the AGM virtually.</p> <p>The Board published the questions posed by shareholders during the virtual AGM that are visible to all participants during the 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**

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 general meeting was uploaded to the Company's website within 30 business days after the general meeting at <a href="http://www.apollofood.com.my">www.apollofood.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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