

# **CORPORATE GOVERNANCE REPORT**

**STOCK CODE** : 0217  
**COMPANY NAME** : POWERWELL HOLDINGS BERHAD  
**FINANCIAL YEAR** : March 31, 2025

## **OUTLINE:**

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

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

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

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

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

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

### Intended Outcome

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

### Practice 1.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is responsible for formulating and reviewing the strategic plans and key policies of the Company, and charting the course of the Group's business operations whilst providing effective oversight of Management's performance, risk assessment and controls over business operations.</p> <p>The Board is guided by the Company's Board Charter which outlines the roles and responsibilities, operation and processes of the Board. The roles and responsibilities of the Board include, among others, the following:-</p> <ul style="list-style-type: none"><li>➤ overseeing the conduct of the Company and the Group's business to ensure it is being properly managed;</li><li>➤ establishing the corporate vision and mission, as well as the philosophy of the Group, setting goals of the Management and monitoring the of performance of the Management;</li><li>➤ identifying principal risks of the Company and the Group and ensuring the implementation of appropriate risk management and internal control systems to address these risks;</li><li>➤ succession planning of the Company;</li><li>➤ reviewing and adopting a strategic plan for the Company and the Group, and subsequently monitoring the implementation of the strategic plan by the Management to ensure sustainable growth of the Company and the Group;</li><li>➤ promoting good corporate governance culture within the Group;</li><li>➤ reviewing the adequacy and integrity of the Company and the Group's internal control system and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines; and</li><li>➤ monitoring the Group's financial performance and operating results.</li></ul>

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

### Intended Outcome

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 roles and responsibilities of the Independent Non-Executive Chairman of the Board have been clearly specified in the Board Charter, which is available on the Company's website at <a href="http://www.powerwell.com.my">www.powerwell.com.my</a>.</p> <p>The Chairman, Mr Tang Yuen Kin, is responsible for leadership of the Board in ensuring the effectiveness of all aspects of the Board. Decisions of the Board are made collectively during Board meetings. In order to ensure that meetings are properly facilitated, and the Board properly led, the Chairman also plays a crucial and pivotal leadership role in ensuring that the Board works effectively.</p> <p>The Chairman is responsible for the following:-</p> <ul style="list-style-type: none"><li>a) To provide leadership and run the Board effectively with the assistance of the Board Committees and management;</li><li>b) To ensure the whole Board plays a full and constructive part in developing and determining the Group's strategy and overall business and commercial objectives;</li><li>c) To ensure the Board annually reviews its performance and its composition so as to achieve its effectiveness;</li><li>d) To chair general meetings and Board meetings;</li><li>e) To promote the highest standards of integrity, probity and corporate governance in the Group;</li><li>f) To give every Board member equal opportunity to voice up; and</li><li>g) To listen to the dissenting voice and to evaluate it in fair and justifiable basis.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 1.3

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company does not have a CEO, however, the position of Chairman and Managing Director are held by different individuals. Mr Tang Yuen Kin is the Chairman of the Company while Ms Wong Yoke Yen is the Managing Director.</p> <p>There is a clear division of responsibilities between the Chairman of the Board and the Managing Director. The Chairman, Mr Tang Yuen Kin, is responsible for leadership of the Board in ensuring the effectiveness of all aspects of the Board, while the Managing Director, Ms Wong Yoke Yen, is responsible for the implementation of the policies laid down and execute the decision-making.</p> <p>Their respective duties and responsibilities are contained in the Board Charter, which is available on the Company's website at <a href="http://www.powerwell.com.my">www.powerwell.com.my</a>.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

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

## Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b>	: Departure
<b>Explanation on application of the practice</b>	:
<b>Explanation for departure</b>	: <p>Mr Tang Yuen Kin, the Chairman of the Board, is a member of the Audit and Risk Management Committee ("ARMC"), Nomination Committee ("NC") and Remuneration Committee ("RC").</p> <p>As at 31 March 2025, the Board consists of six (6) Directors comprising the following:</p> <ul style="list-style-type: none"><li>• Three (3) Independent Non-Executive Director including the Chairman;</li><li>• One (1) Managing Director;</li><li>• One (1) Executive Director; and</li><li>• One (1) Non-Independent Non-Executive Director.</li></ul> <p>The Chairman of the Board did not dominate any of the discussion at the meetings of the ARMC, NC and RC. Decisions made by the Board Committees are reported and recommended to the Board and the matters were further reviewed and discussed at the Board level before any decisions were made.</p> <p>The Board took cognisance of the Practice 1.4 the Malaysian Code on Corporate Governance ("MCCG") and opined that taking into account the fact that matters within the purview of the Board Committees are matters reserved for the decision of the Board, there is adequate check and balance in the board room despite having the Chairman of the Board as a member of the ARMC, NC and RC during the financial year ended ("FYE") 31 March 2025.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	: Please explain the measure(s) the company has taken or intend to take to adopt the practice.

<b>Timeframe</b>	:	Choose an item.	
------------------	---	-----------------	--

## Intended Outcome

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

## Practice 1.5

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company Secretaries, namely Mr Tan Kok Siong and Ms Tan Fong Shian @ Lim Fong Shian, are licensed by the Companies Commission of Malaysia and Associate members of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA), respectively. They also hold the professional certificate as qualified Company Secretaries under Section 235(2) of the Companies Act 2016 ("the Act").</p> <p>They are experienced, competent and knowledgeable in the Act, ACE Market Listing Requirements ("ACE Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), MCGG and company secretarial matters.</p> <p>The Board obtains appropriate advice and support from the Company Secretaries on company secretarial matters, compliance with the relevant laws and regulations and adoption of corporate governance best practices. The Company Secretaries ensure that the Board and Committees meetings are properly convened and the proceedings are properly recorded. The Company Secretaries also work closely with Management to ensure that there are timely and appropriate information flows within and to the Board and Board Committees.</p> <p>The Board is regularly updated and apprised by the Company Secretaries on changes in the Act, new and/or changes in relevant rules/regulations issued by regulatory authorities.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	





### Intended Outcome

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

### Practice 1.6

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>A scheduled meeting calendar is prepared and circulated to the Board in advance usually before the end of each calendar year for each new calendar year. The Board is supplied with quality and timely information, which allows it to discharge its responsibilities effectively and efficiently.</p> <p>The agenda for each meeting together with a set of comprehensive Board Papers for each agenda item are delivered via email to each Director in advance of meetings, to afford the Board sufficient time to review the matters to be deliberated for effective discussion and decision making during the meeting, and where necessary, to obtain supplementary information before the meeting.</p> <p>The deliberations and decisions at Board and Board Committee meetings are well documented in the minutes, including matters where Directors abstained from voting or deliberation.</p> <p>The minutes of Board and Board Committee meetings are circulated to the Directors in a timely manner for their perusal prior to confirmation of the minutes to be done at the commencement of the following Board meeting. The Directors may request for clarification or raise comments before the minutes are tabled for confirmation.</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 established a Board Charter to provide clarity and guidance in the roles and responsibilities to the Board members and management. The Board Charter addresses, among others, objectives, vision and mission, role of the Board, operation and processes of the Board.</p> <p>The Board Charter serves as a referencing point for Board's activities to enable Directors to carry out their stewardship role and discharge their fiduciary duties towards the Company. The Board Charter is made publicly available on the Company's website at <a href="http://www.powerwell.com.my">www.powerwell.com.my</a> in line with Practice 2.1 of the MCCG.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 3.1

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is committed to adhering to best practices in corporate governance and observing the highest standards of integrity and behaviour in all activities conducted by the Company and the Group, including the interaction with its shareholders, employees, creditors, customers and within the community and environment in which the Company and the Group operate.</p> <p>The Board has established a Code of Conduct and Ethics for its directors and employees. The Code of Conduct and Ethics spells out certain ethical conduct, principles and standards of good conduct expected of the Directors and employees of the Group at work.</p> <p>The Code of Conduct and Ethics is made publicly available on the Company's website at <a href="http://www.powerwell.com.my">www.powerwell.com.my</a> in line with Practice 3.1 of the MCCG and is subject to periodical review.</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>The Group has formalised and established a Whistleblowing Policy. This is to provide an avenue for all employees and stakeholders to raise genuine concerns about unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements without fear of reprisal should they act in good faith when reporting such concerns.</p> <p>The Whistleblowing Policy is subject to periodic assessment and review to ensure that it remains relevant to the Group's changing business circumstances. The Whistleblowing Policy is available on the Company's website at <a href="http://www.powerwell.com.my">www.powerwell.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.

Application	:	Applied	
Explanation on application of the practice	:	The Board oversees the Group’s operations by taking into consideration the economic, environmental and social risks and opportunities in setting the strategic direction of the Group and ensuring the integration of sustainability practices into the Group’s operations, policies and procedures.	
		Discussion on the Company’s management of its sustainability matters are disclosed in the Sustainability Statement in the Annual Report 2025.	
		The Company has yet to formalise a comprehensive sustainability policy, however, business decisions have also been made while taking into consideration from environmental, social and governance (“ESG”) perspective.	
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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The information on the Company's sustainability commitment and priorities as well as the performance are disclosed in the Annual Report 2025. The Company relies on the Sustainability Statement of the Company's Annual Report 2025 which is available on the Company's website to communicate to its internal and external stakeholders.	
<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 and Management ensure that ESG related considerations are embedded into the Group's business strategies and operations and monitors key sustainability matters and issues to address sustainability risks and opportunities.  The Company took cognisance of the challenges ahead posed by climate change and related risks and acknowledges the role the Company has to play in working towards combating climate change. The Board will continue to keep abreast with development in regulatory, corporate governance and sustainability issues relevant to the Company and its business.	
<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 annual evaluation is conducted via the Board and Board Committees Evaluation Form in relation to the management of sustainability and related measures and material matters on ESG. Through the evaluation, the review of the performance of the Board and senior management in addressing the Company's material sustainability risks and opportunities is performed.</p> <p>The Board ensures that review of ESG related matters and considerations are the criteria encompasses in the annual evaluation of the Directors and effectiveness 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**

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>During FYE 31 March 2025, the Nomination Committee reviewed the size, structure and composition of the Board, assessed the effectiveness and performance of the Board and Board Committees as well as their respective functions, focusing on the structure of the Board and its operations, Board and Board Committees' roles and responsibilities.</p> <p>The Nomination Committee was satisfied that the size, structure and Composition of the Board and Committees are satisfactory with appropriate mix of knowledge, skills, attributes and core competencies to enable the Board to discharge its duties and responsibilities effectively.</p> <p>During FYE 31 March 2025, the Nomination Committee had also reviewed and recommended to the Board the annual re-election of Directors pursuant to Rule 131 of the Constitution of the Company and Director retiring by casual vacancy pursuant to Rule 116 of the Constitution of the Company taking into consideration satisfactory evaluation of the performance of the Board and individual Directors.</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.

Application	:	Applied	
Explanation on application of the practice	:	<p>As at 31 March 2025, the Board consists of six (6) members, comprising two (2) Executive Directors including the Managing Director, one (1) Non-Independent Non-Executive Director and three (3) Independent Non-Executive Directors including the Chairman and Senior Independent Non-Executive Director.</p> <p>The percentage of independent directors on the Board is 50% which is in compliance with Rule 15.02 of ACE Listing Requirements of Bursa Securities and the recommendation of the MCCG.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

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

### Practice 5.3

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>	:	None of the Independent Directors have served on the Board for more than nine (9) years as at 31 March 2025.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.4 - 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 Board recognises and embraces the benefits of having a diverse Board and senior management, and sees increasing diversity at the Board and senior management level as essential elements in maintaining competitive advantages and attainment of strategic objectives.</p> <p>In assessing the suitability of candidates, various criteria will be taken into account including but not limited to mix of skills, knowledge, expertise, independence, experience, professionalism, age, cultural background and gender.</p> <p>The current board and senior management comprised of members with diverse skills, experiences and qualifications. The profiles of the directors and senior management are provided in the Annual Report 2025.</p> <p>The Diversity Policy can be viewed on the Company's website at <a href="http://www.powerwell.com.my">www.powerwell.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

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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>During FYE 31 March 2025, there was appointment of an Executive Director and one (1) Non-Executive Non-Independent Director which are selected based on recommendations from the directors, management and/or major shareholders through a selection process facilitated by the Nominating Committee.</p> <p>The process for appointing directors is driven by merit, with an emphasis on identifying, selecting, and appointing board members who are highly qualified and possess strong industry knowledge.</p> <p>The Board believes that, at present, recommendations from existing directors and major shareholders remain effective. All potential candidates undergo a selection process overseen by the Nominating Committee.</p> <p>The Nominating Committee will assess the candidates for their suitability based on the following criteria:</p> <ul style="list-style-type: none"><li>• skills, knowledge, expertise and experience;</li><li>• fit and proper;</li><li>• character, integrity and professionalism;</li><li>• perceived ability to work cohesively with other members of the Board;</li><li>• number of directorships and other external obligations which may affect the candidates' commitment, including time commitment and value contribution;</li><li>• diversity in age, gender and experience/background; and</li><li>• such other relevant factors as may be determined by the Nominating Committee which would contribute to the Board's collective skills, whilst taking into account the current and future needs of the Company, boardroom diversity and other soft attributes required as Directors.</li></ul>



	Further, internal promotion of senior management as director are also being considered as career advancement for them.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 5.7

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>For individuals standing for election as Directors of the Company (excluding directors standing for a re-election), the Board ensures that shareholders are provided with the necessary information including details of any interest and the position of the proposed directors in order to make an informed decision on the appointment of directors.</p> <p>The Nomination Committee would evaluate the individuals based on the “Fit and Proper” standards as set out in the Company’s Directors’ Fit and Proper Policy by taking into consideration of diversity, including gender, skills, talents and experience, where appropriate, and recommends to the Board for appointment and reappointment.</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 5.8**

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

Application	:	Applied	
Explanation on application of the practice	:	The Nomination Committee is chaired by Dr Tou Teck Yong, who is a Senior Independent Non-Executive Director of the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

**Practice 5.9**

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	As at 31 March 2025, the Board has two (2) female members out of a total of six (6) Board members, representing a percentage of 33.33%.	
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 5.10**

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board acknowledges that gender diversity is one of the key attributes to an effective and balanced board and senior management. In this regard, it is committed to having female representation on the Board though no specific target percentage is set.</p> <p>The Group’s Diversity Policy is available on the Company’s website at <a href="http://www.powerwell.com.my">www.powerwell.com.my</a>. The Group ensures equal opportunity is given to an individual whether for appointment as a director or employment within the Group, based on merits and not on any gender, age or racial bias.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

## Intended Outcome

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

## Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board through the Nomination Committee carried out annual assessment of the effectiveness of the Directors individually, the Board as a whole and the Board Committees. The Nomination Committee also assessed the independence of Independent Directors against the established criteria and to ensure that the Independent Directors would continue to provide unbiased, objective and independent view to the Board.</p> <p>The assessment also covers the review of the Board's and Board Committees' structure, size, composition and diversity, and was satisfied with the review given the size of the Group and its business operations.</p> <p>The effectiveness of the Board and Board Committees is assessed through a set of questionnaires encompassing the following:</p> <ul style="list-style-type: none"><li>a) Board mix and composition;</li><li>b) Quality of information and decision making;</li><li>c) Boardroom activities;</li><li>d) Board's relationship with the management; and</li><li>e) Performance evaluation sheet – board committees.</li></ul> <p>The assessment of individual Directors' contributions and performance was also carried out through questionnaires and the assessment criteria amongst others Director's Contribution and Performance, and Calibre and Personality.</p> <p>The independence of the Independent Directors is assessed through declarations and confirmations from the Independent Directors.</p> <p>The Nomination Committee was satisfied with the experiences, contributions, competencies and mix of skills of the Directors to enable</p>

	<p>the Board and the Board Committees to discharge their respective duties and responsibilities effectively, as well as with the independence of the Independent Directors. It was also concurred from the assessment that the Board could work as a team and arrive at consensual decisions.</p> <p>The Board is satisfied that all the Independent Directors continued to provide their independent judgement and acted in the interest of the Company and its stakeholders during FYE 31 March 2025.</p>	
<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

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

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

### Practice 7.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Remuneration Committee is primarily responsible for reviewing and recommending to the Board the remuneration package of the Executive and Non-Executive Directors as well as senior management of the Group to ensure that the Group attracts and retains directors and senior management of the calibre needed to run the Group successfully.</p> <p>The remuneration seeks to enable the Company to provide a well-balanced and reasonable competitive compensation package that is focused on sustainable results and is aligned with the business performance of the Company. The remuneration of the Managing Director and key senior management is linked to the financial performance which is aligned to the Company's business objectives.</p> <p>The remuneration of Non-Executive Directors should be appropriate for their contributions to the Company, taking into account factors such as effort and time spent, and responsibilities of the directors including their appointment in Board Committees.</p> <p>The Remuneration Policies &amp; Procedures would be reviewed and updated as and when required for effectiveness and made available on the Company's website at <a href="http://www.powerwell.com.my">www.powerwell.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 Board has established a Remuneration Committee and all the members are Independent Non-Executive Directors.</p> <p>The Terms of Reference setting out the Remuneration Committee's composition, meeting proceedings, functions and reporting procedures, can be viewed on the Company's website at <a href="http://www.powerwell.com.my">www.powerwell.com.my</a> in line with Practice 7.2 of the MCGG.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 8.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The detailed disclosure on named basis for individual directors for FYE 31 March 2025 is set out in the table below.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tang Yuen Kin	Independent Director	64	5	0	0	0	0	69	64	5	0	0	0	0	69
2	Wong Yoke Yen	Executive Director	0	0	0	0	0	0	0	0	0	690	144	25	0	859
3	Soh Wei Wei	Executive Director	0	0	0	0	0	0	0	0	0	491	154	28	0	673
4	Tham Kien Wai (Retired on 11 November 2024)	Executive Director	0	0	0	0	0	0	0	0	0	600	48	23	0	671
5	Dr Tou Teck Yong	Independent Director	57	5	0	0	0	0	62	57	5	0	0	0	0	62
6	Selma Enolil Binti Mustapha Khalil	Independent Director	57	5	0	0	0	0	62	57	5	0	0	0	0	62
7	Chong Guang Wei	Non-Executive Non-Independent Director	24	2	0	0	0	0	26	24	2	0	0	0	0	26
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
----	-----------------	-----------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------

### Intended Outcome

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

### Practice 8.2

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

<b>Application</b>	:	Departure											
<b>Explanation on application of the practice</b>	:												
<b>Explanation for departure</b>	:	<p>With the best interest of the Group in mind, and taking into consideration the sensitivity, privacy, security, issue of staff poaching, the Board has opted not to disclose on a named basis the top five senior management's remuneration in the bands of RM50,000.</p> <p>The Board believes that such disclosure is unfavourable to the Group as it may result in talent poaching.</p> <p>The remuneration packages of senior management are evaluated and reviewed annually and adjustments to their remuneration are based on not only on their individual performance and contributions in the preceding year, but also the Group's performance.</p> <p>The number of top five (5) key senior management whose total remuneration falls within the following bands for FYE 31 March 2025 are as follows:-</p> <table border="1"><thead><tr><th>Remuneration Band</th><th>No. of Key Senior Management</th></tr></thead><tbody><tr><td>RM300,001 – RM350,000</td><td>2</td></tr><tr><td>RM450,001 – RM500,000</td><td>1</td></tr><tr><td>RM550,001 – RM600,000</td><td>1</td></tr><tr><td>RM650,001 – RM700,000</td><td>1</td></tr></tbody></table>		Remuneration Band	No. of Key Senior Management	RM300,001 – RM350,000	2	RM450,001 – RM500,000	1	RM550,001 – RM600,000	1	RM650,001 – RM700,000	1
Remuneration Band	No. of Key Senior Management												
RM300,001 – RM350,000	2												
RM450,001 – RM500,000	1												
RM550,001 – RM600,000	1												
RM650,001 – RM700,000	1												
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>													
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.											
<b>Timeframe</b>	:	Choose an item.											

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

**Intended Outcome**

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

**Practice 8.3 - Step Up**

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

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



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

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The ARMC is chaired by Puan Selma Enolil Binti Mustapha Khalil, who is not the Chairman of the Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors. At present, none of the ARMC members is a former key audit partners of the Company’s external auditors.</p> <p>The ARMC has adopted the Practice 9.2 of the MCGG and incorporated policy into the Terms of Reference of the ARMC.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 9.3

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The ARMC reviews and undertakes an assessment of the suitability, objectivity, technical competence and independence of the external auditors on an annual basis.</p> <p>For FYE 31 March 2025, the ARMC undertook an assessment of the suitability and independence of the external auditors, using the evaluation form guided by the 4<sup>th</sup> Edition of the Corporate Governance Guide issued by Bursa Malaysia.</p> <p>Based on the results of the evaluation, the ARMC and the Board are satisfied with the performance, competence and independence of the external auditors and the Board had recommended their re-appointment to the shareholders' approval at the forthcoming Annual General Meeting.</p> <p>In addition, the ARMC has obtained confirmation from the external auditors that they are and have been independent throughout the conduct of the audit engagement.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	All the members of the ARMC 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The members of the ARMC have a mix of skill, knowledge and the appropriate level of expertise and experience which enable them to discharge their duties and responsibilities pursuant to the Terms of Reference of the ARMC.</p> <p>Mr Tang Yuen Kin, a member of the ARMC, is a member of both the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants Malaysia. With his vast experience in the areas of audit, accounting and finance, corporate finance and corporate planning, he is capable to assist the Board in reviewing and ensuring that the Company’s quarterly reports and financial statements are prepared in compliance with applicable financial reporting standards.</p> <p>In addition, all the members of the ARMC are financially literate and are able to understand matters under its purview, including financial reporting process.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

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

### Practice 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Board has the overall responsibility for risk management and internal control of the Group. The Board and the ARMC work closely with management to identify, evaluate, manage and report major risks that affect the Group as well as the measures taken to mitigate the risks, and to review the adequacy and effectiveness of the internal control system.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

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

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

### Practice 10.2

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board has disclosed the features of its risk management and internal control framework, and the adequacy and effectiveness of the framework, in the Statement on Risk Management and Internal Control of the Company's Annual Report 2025.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**Intended Outcome**

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

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

**Practice 10.3 - 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.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Group has outsourced the internal audit function to a professional service firm, Vaersa Advisory Sdn Bhd, which is independent of the activities and operations of the Group. The outsourced internal auditors report directly to the ARMC.</p> <p>Details on the internal audit function are set out in the Audit and Risk Management Committee Report and the Statement on Risk Management and Internal Control of the Company’s Annual Report 2025.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

## Intended Outcome

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

## Practice 11.2

The board should disclose—

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group has outsourced the internal audit function to an external professional service firm, Vaersa Advisory Sdn Bhd, which is independent of the activities and operations of the Group. The outsourced internal auditors report directly to the ARMC.</p> <p>The work carried out by Vaersa Advisory Sdn Bhd for the Group is headed by Mr Quincy Gan Hoong Huat, the Advisory Partner, who is a Certified Internal Auditor. He is supported by the engagement team of Internal Auditors who have the relevant professional qualifications.</p> <p>The Internal Auditors have performed their work with reference to the principles of the International Professional Practice Framework of Institute of Internal Auditors in assessing the effectiveness of the Group's internal control system.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 12.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the importance of maintaining effective communication between the Company and its potential investors or shareholders together with timeliness and equal dissemination of information. This will enhance their understanding of the Group's performance and position and assist them into making informed decisions.</p> <p>The Group maintains a corporate website, <a href="http://www.powerwell.com.my">www.powerwell.com.my</a> to disseminate information and enhance its investor relations. All timely disclosures, material information and announcements made to Bursa Securities are published on the website shortly after the same is released by the Company.</p> <p>The Board believes the annual general meeting is a principal forum for dialog and communication with the shareholders. Besides that, the stakeholders are able to obtain latest information of the Group on the Company's website, <a href="http://www.powerwell.com.my">www.powerwell.com.my</a>, and are encouraged to contact the Company should they require more information.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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.

Application	:	Applied	
Explanation on application of the practice	:	Notice of the Twentieth Annual General Meeting (“AGM”) are sent out to the shareholders at least 28 days before the date of the meeting to provide the shareholders with sufficient time to prepare for the meeting and to make informed decisions at the meeting.	
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	:	<p>All the Directors, including Chairman of the respective Committees, attended the Nineteenth AGM held on 13 September 2024 to address questions from the shareholders. The Company also allocated sufficient time during the Meeting for a Question-and-Answer session whereby the shareholders’ questions were all responded to accordingly by the Board of Directors and senior management of the Company.</p> <p>Similarly, the Board of Directors will also attend the forthcoming Twentieth AGM scheduled to be held on 25 September 2025.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

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	:	<p>The Company has held its Nineteenth AGM on a virtual basis through live streaming via Remote Participation and Voting (“RPV”) facilities whereby shareholders were able to participate remotely and cast their votes electronically.</p> <p>The Company’s shareholders are entitled to appoint corporate representatives or proxy(s) to participate and vote on their behalf in their absence at the Meeting via RPV.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		



## Intended Outcome

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

## Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company conducted its Nineteenth AGM on a virtual basis on 13 September 2024.</p> <p>Shareholders or proxies were allowed to submit their questions via email to the Company prior to the Nineteenth AGM and also electronically via typed texts through the online platform during the live streaming of the Nineteenth AGM.</p> <p>During the Nineteenth AGM, sufficient time was provided for the shareholders or proxies to pose their questions during the meeting and the Board had ensured that all questions have received a meaningful response.</p>
<b>Explanation for departure</b>	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

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

## Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company conducted its Nineteenth AGM on a virtual basis on 13 September 2024. The directors, senior management and shareholders were provided with the necessary infrastructure and tools to interact, post questions and answers, and vote online.</p> <p>Along with the Notice convening the Nineteenth AGM, a detailed Administrative Notes was circulated to all shareholders to provide guidance on registration and participation at the fully virtual AGM. A tutorial on the use of the RPV facilities and submission of questions was presented at the commencement of 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>	:	The minutes of the Nineteenth AGM were published on the Company's website at <a href="http://www.powerwell.com.my">www.powerwell.com.my</a> within 30 business days after the meeting.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## **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.*

Click or tap here to enter text.

