CORPORATE GOVERNANCE REPORT

STOCK CODE	**:**	0304
COMPANY NAME	**:**	FARM PRICE HOLDINGS BERHAD
FINANCIAL YEAR	**:**	December 31, 2024

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.

Application	:	Applied
Explanation on application of the practice	:	The Board of Directors ("**Board**") of the Company comprises of six (6) members with wide and diverse background and experiences in different fields and industries. The roles and responsibilities of our Board are clearly set out in the Board Charter and disclosed in the Corporate Governance Overview Statement in the Annual Report for the financial year ended 31 December 2024 ("**2024 Annual Report**"). The Board has delegated certain responsibilities to the following Board Committees to assist in the discharge of its duties within their respective Terms of References ("**TOR**"):- • Audit and Risk Management Committee ("**ARMC**"); • Nomination Committee ("**NC**"); and • Remuneration Committee ("**RC**"). The Board takes full responsibilities for the overall performance of the Company and subsidiaries ("**Group**"). The duties and responsibilities of the Board include determining the Group's overall business plan, performing periodic reviews of the business and financial performance and adopting and implementing risk management and internal control system within the Group. It is the general policy of the Company that all major decisions be considered by the Board as a whole. To ensure the effective discharge of the Board's function and duties, the principal responsibilities of the Board shall include (but not limited to) the following:- (a) To ensure that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental, social and governance ("**ESG**") consideration underpinning the sustainability of the Group in the Group's

	strategies, business plans, major plans of action and risk and opportunity management; (b) To oversee and understand the conduct of the Group's businesses and sustainability issues relevant to the Company and its business (including climate-related risks and opportunities) and evaluate whether the businesses and sustainability issues are being properly managed and targets set are achieved. Further, strategies, priorities and targets set as well as performance against these targets shall be communicated to internal and external stakeholders; (c) To understand the principal business and business sustainability risks faced by the Group and ensure implementation of a sound framework for internal controls and risk management system to manage these risks; (d) To conduct performance evaluations of the Board by including the review of the performance of the Board and Management in addressing the Company's material sustainability risks and opportunities; (e) To promote good corporate governance culture within the Group together with the senior management which reinforces ethical, prudent and professional behaviour, including overseeing the ethical conduct of business and preventing bribery in the Group's business; (f) To review, challenge and decide on the Management's proposals for the Company, and monitor its implementation by the Management; (g) To set the risk appetite within which the Board expects the Management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks faced by the Group; (h) To monitor the Management's performance and business results; (i) To ensure the senior management has the necessary skills and experience, and there are succession planning procedures in place. This includes, but not limited to, implementation of appropriate system(s) for recruitment, training and replacement of senior management personnel; (j) To review the adequacy and integrity of the Group's internal control and risk management system;

	(k) To oversee the development and implementation of an investors relations programme or shareholder communication policy for the Group to enable effective communication with stakeholders; (l) To ensure that all Board members can understand financial statements and form a view on the information presented; (m) To appoint the Board committees, to delegate powers to such committees, to review the composition, performance and effectiveness of such committees, and to review the reports prepared by the Board committees and deliberate on the recommendations thereon; (n) To establish an adequate Group-wide framework for co-operation and communication between the Company and its subsidiaries to assist the Board in discharging its responsibilities including oversight of Group's financial and non-financial performance, business strategy and priorities, risk management including material sustainability risks and corporate governance policies and practices; (o) To establish and ensure the Group-wide framework on corporate governance includes a code of conduct and ethics, and policies and procedures addressing and managing anti-corruption, whistleblowing, conflict of interest ("**COI**"), material sustainability risks and board diversity, including gender diversity; (p) To ensure that the Group adheres to high standards of ethics and corporate behaviour; and (q) To perform such other functions as prescribed by laws, rules and regulations.	
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

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	Encik Pauzi bin Yaman ("**Encik Pauzi**") is an Independent Non-Executive Chairman of the Board who is responsible for the overall leadership and efficient operation of the Board. The key roles of the Chairman as set out in the Board Charter include amongst others, the following: - (a) Provide leadership for the Board so that the Board can perform its responsibilities effectively, with the assistance of the Board committees and Management; (b) The efficient organisation and conduct of the Board's function, chairing Board meetings and encouraging all directors to play an active role in Board activities; (c) Encourage active participation and allowing dissenting views to be freely expressed; (d) Taking the lead in setting the values and standards, adopting and implementing good corporate governance practices in the Company; (e) Ensuring complete and accurate information is furnished to Board members on a timely basis to facilitate decision-making; (f) Set the Board meeting agendas and ensure adequate time is allocated for discussion of issues tabled to the Board for deliberation; (g) Chairing general meetings of shareholders and ensuring orderly conduct and proceedings of such meetings; (h) Ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole; (i) Managing the interface between the Board and Management; and

	(j) Facilitating the contribution of Non-Executive Directors and ensuring constructive relations are maintained between Executive and Non-Executive Directors.	
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

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

Practice 1.3

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

Application :	Applied	
Explanation on application of the practice :	The Board recognises the importance of having a clearly accepted division of power and responsibilities to ensure a balance of power and authority. Encik Pauzi, as the Independent Non-Executive Chairman, provides strong leadership and objective judgement with regards to ensuring the adequacy and effectiveness of the Board's governance process. Whereas. Dr. Tiong Lee Chian, Managing Director ("**MD**"), ensures the effective implementation of the Group's business plan and policies established by the Board as well as to manage the daily conduct of the business and affairs to ensure its smooth operation. The Board is of the view that the separation of the positions of the Chairman of the Board and the MD together with the Independent Non-Executive Directors ("**INEDs**"), provides further assurance that there is a balance of power and authority in the Company and effective stewardship of the Group in terms of strategies and business performance. The roles of the Chairman of the Board and the MD are clearly demarcated and defined in the Board Charter of the Company and is available for viewing under the "Investor Relation" section of the Company's corporate website at https://www.farmprice.com.my/board-charter-terms-of-references.	
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

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

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'.			
Application	:	Applied	
Explanation on application of the practice	:	Encik Pauzi, the Independent Non-Executive Chairman of the Company does not hold any membership of the Board Committees in 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

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	The Board is supported by Company Secretaries who are qualified to act as Company Secretary under Section 235(2) of the Companies Act 2016. The duties and responsibilities of the Company Secretaries shall include, but are not limited to the following:- (a) Manage all the Board and Board committees meeting logistics, attend and record minutes of all Board and Board committees' meetings and facilitate the Board communications; (b) Advise the Board on its roles and responsibilities, particularly the additional or changes in obligations arising from the implementation of the new laws and regulations or any amendments thereof; (c) Facilitate the orientation of new directors and assist director in training and development; (d) Advise the Board on corporate disclosures and compliance with Company and securities regulations and ACE Market Listing Requirement ("**ACE LR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"); (e) Manage processes pertaining to the annual shareholder meeting; (f) Monitor corporate governance developments and assist the Board in applying corporate governance practices to meet the Board's needs and stakeholders' expectations; (g) Serve as focal point for stakeholders' communication and engagement on corporate governance issues; and (h) Carry out other functions as deemed appropriate by the Board from time to time. The brief profiles of the Companies Secretaries are as follows:-

	Ms. Yeow Sze Min, FCIS Ms. Yeow Sze Min ("**Ms. Yeow**") has been elected as a Fellow Member of the Malaysian Institute of Chartered Secretaries and Administrators ("**MAICSA**") since 2018. She has more than 13 years of experience in handling corporate secretarial matters, with working knowledge of many industries. She is also a Chartered Accountant under the Chartered Accountants Australia New Zealand by qualification and a member of the Malaysian Institute of Accountants. Ms. Yeow is a Chartered Secretary by profession. She is the Executive Director of Securities Services (Holdings) Sdn. Bhd., a prominent corporate secretarial service provider in Malaysia. Ms. Yeow is also the named company secretary for a number of listed and non-listed companies and private limited companies. Ms. Yeow has been appointed as Company Secretary to the Company since 23 May 2023. **Mr. Cheng Chia Ping, ACIS** Mr. Cheng Chia Ping ("**Mr. Cheng**") has been elected as an Associate Member of the MAICSA since 2012. He has more than 12 years of experience in handling corporate secretarial matters, with working knowledge of many industries and non-profit organisations. Mr. Cheng is a Chartered Secretary by profession. He is a Senior Manager (Corporate Secretarial) of Securities Services (Holdings) Sdn. Bhd., a prominent corporate secretarial service provider in Malaysia. Mr. Cheng is also the named company secretary for a number of public listed companies, public companies, private limited companies and societies. Mr. Cheng has been appointed as Company Secretary to the Company since 23 May 2023. For the FYE 2024, the Company Secretaries had attended the relevant continuous professional development programmes as required by MAICSA for practising company secretaries. Both the Company Secretaries possessed a valid Practising Certificate issued by the Companies Commission of Malaysia for the FYE 2024.
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

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	The notice of the scheduled Board Meeting is served to the Directors at least seven (7) days prior to the Board meeting, unless there is exceptional case for convening of Special Meeting of the Board to address emergency issue, shorter notice is allowed with the consent of all Directors. To leverage on the usage of technology, the Board papers are circulated to the Directors in electronic from via email prior to the Board meetings, to allow the Directors to consider the relevant information. All Directors are furnished with a comprehensive Board meeting agenda, minutes of meeting and relevant information materials and documents at least five (5) business days in advance at each Board meeting. Meeting materials are sent through e-mail to allow the Board members to have sufficient time to review and to request for any further information or clarification prior to the Board meeting. The Board Chairman has set the Board meeting agenda and ensured that the Board committees' meetings were conducted separately from the Board meeting, with sufficient time allocated to enable objective and independent discussion during the meeting. Upon conclusion of the Board meeting, the draft minutes is circulated to the Board for comments to ensure that the minutes of meeting accurately reflected the deliberations and decisions of the Board. Thereafter, the final minutes is confirmed and approved by the Board and signed by the Chairman at the succeeding meeting as a correct record of the proceedings.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	

Timeframe :		

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board has adopted a Board Charter outlining the authority, responsibilities, membership and operation of the Board, adopting principles of good corporate governance and practices, in accordance with applicable laws in Malaysia. The Board Charter is applicable to all Directors of the Company and, amongst other things, provides that all Directors must avoid conflicts of interest between their private financial activities and their part in the conduct of company business. The Board Committees in performing their responsibilities delegated by the Board would be guided by the TOR of each of the Committees as approved by the Board. The Board Charter will be reviewed and updated to ensure alignment with the Board's objectives and current laws and practices, where necessary. The latest Board Charter is available for viewing under the "Investor Relation" section of the Company's corporate website at https://www.farmprice.com.my/board-charter-terms-of-references.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board has established a Code of Conduct and Ethics ("**Code**") to ensure that the Board, Management and all employees of the Group to whom the Code applies, are aware and understand their obligations and responsibilities as set out in the Code. The Code is formulated with the intention of achieving the following objectives:- (a) To uphold the spirit of social responsibility and accountability in line with the legislation, regulations and guidelines for administrating a company; (b) To articulate the high standard of honesty, integrity, ethics and law-abiding behaviour within the Group; (c) To improve self-discipline in order to provide good quality services; (d) To ensure that all directors and employees are aware of their ethical obligations; and (e) To enhance the standard of corporate governance. The guiding principles of the Code are as follows: - • Competition • Insider Trading • Protecting Confidential Information • COI • Personal and Family Relationships • Gifts, Entertainment and Corporate Hospitality • Anti-Bribery and Corruption • Whistleblowing Policy

	• Protection and Proper Use of Group's Assets • Work Environment • Ensuring Workplace Health and Safety • ESG Agenda • Financial Integrity There was no report of concern received by the Company for the FYE 2024. The Code is available for viewing under the "Investor Relation" section of the Company's corporate website at https://www.farmprice.com.my/policies and will be reviewed periodically by the Company, updated and approved by the Board as and when necessary to ensure that it remains current and relevant in addressing any ethical issues that may arise within the Group.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	The Whistleblowing Policy was established and approved by the Board to facilitate and encourage disclosure of genuine and legitimate concerns about any possible violations and improprieties in matters related to financial reporting, compliances and other malpractices to be raised by the Board, all employees and officers of the Group as well as the members of the public. The Whistleblowing Policy is formulated to enable the reporting of genuine concerns about any actual or possible improprieties at the earliest opportunity so that appropriate actions can be taken to address or mitigate such concerns. Additionally, the Board has in accordance with the requirements of Bursa Securities adopted the Anti-Bribery and Anti-Corruption Policy to prevent corrupt practices, and to provide a measure of assurance and a defence against corporate liability for corruption under Section 17A of the Malaysian Anti-Corruption Commission Act 2009. The Whistleblowing Policy and Anti-Bribery and Corruption Policy are available for viewing under the "Investor Relation" section of the Company's corporate website at https://www.farmprice.com.my/policies. For the FYE 2024, none of the designated persons received any report or concerns vide the abovementioned communication and feedback channels.
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 4.1
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 acknowledges its responsibilities over the governance of sustainability in the Company and strives to strike a balance between achieving business strategies and promoting sustainability. The Board has established a Sustainability Policy which aim to:- (a) Promote and ensure all employees are aware of, and committed to, implementing and measuring sustainability activities by considering ESG factors; (b) Promote sustainable practices; (c) Ensure that the Board and senior managements are involved in implementation of this Policy and review the sustainability performance; and (d) Integrate the principles of sustainability into the Group's strategies, policies and procedures and business decisions. The details on the sustainability governance, sustainability policy, stakeholder engagement, and material sustainability topics of the Group can be found in the Sustainability Statement in the 2024 Annual Report.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure	:		
Timeframe	:		

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

Practice 4.2
The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied	
Explanation on application of the practice	:	The Board ensures that the Group's sustainability strategies and risk management processes are communicated effectively to all internal and external stakeholders. The Group discloses its sustainability performance, initiatives, programmes, and key material matters of the Group in the Sustainability Statement in the 2024 Annual Report. The Sustainability Statement serves as the primary communication channel for all the Group's stakeholders.	
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 4.3
The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	The Board is kept abreast with the relevant sustainability development, sustainability issues and climate-related risks and opportunities by way of presentation and discussion. The Board, through the NC, reviews the training programmes attended by the Directors and assesses the training needs of the Directors to ensure they are kept abreast on the relevant requirements and matters concerning sustainability, including the latest development in industry as well as the sustainability issues relevant to the Company and its business, including climate-related risks and opportunities. The Board will take appropriate effort to provide stakeholders and the persons in charge to stay abreast with relevant sustainability issues to support the Group's sustainability strategy.	
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 4.4
Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board and NC with the assistance of the Company Secretaries had developed and adopted a set of Board and Board Committees effectiveness evaluation forms that incorporate economic and ESG goals and objectives, as well as strategic insight provided in addressing material sustainability risks and opportunities. However, the performance evaluation of senior management of the Company has yet to adopt sustainability criteria.	
		The Company will work on including sustainability related key performance indicators for senior management.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

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

Practice 4.5- Step Up
The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.		
Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Practice 5.1
The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	:	Applied
Explanation on application of the practice	:	The NC oversees the overall composition of the Board having regard to the mix of skills, independence and diversity (including gender diversity) required to meet the needs of the Company, strengthen Board leadership and oversight of sustainability issues. The effectiveness of the Board as a whole and the contribution and performance of each individual Director to the effectiveness of the Board and the Board Committees will also be assessed by the NC on an annual basis. Pursuant to Clause 21.7 of the Constitution of the Company, the following Directors are to retire at the forthcoming Second Annual General Meeting ("**2nd AGM**") (hereinafter referred to as "**Retiring Directors**"):- (a) Dr. Tiong Lee Chian; and (b) Mr. Yap Koon Roy. The NC has conducted the following assessment based on the criteria as prescribed by the ACE LR of Bursa Securities for the Retiring Directors:- (a) Mix of skills; (b) Character; (c) Experience; (d) Integrity; (e) Competence; and (f) Time commitment to discharge their roles. The NC, as guided by the Directors' Fit and Proper Policy implemented by the Company, has undertaken a formal assessment of the Retiring Directors. Being satisfied with the performance of the Retiring Directors, the NC and in turn, the Board, had recommended to shareholders their re-election at the forthcoming 2nd AGM.

Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
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	:	The Board comprises six (6) members, four (4) of whom are INEDs and the remaining two (2) are Executive Directors. The Board comprises a majority of Independent Directors which is also in compliance with Rule 15.02 of the ACE LR of Bursa Securities. The composition of the Board provides an effective mix of industry specific knowledge, broad based business and commercial experience together with independent judgement on matters of strategy, operations, resources and business conduct. The combination of professionals with diverse and varied backgrounds, wealth of experience and expertise in legal, finance and corporate affairs also enables the Board to discharge its responsibilities effectively and efficiently.	
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.

Application	:	Applied	
Explanation on application of the practice	:	No Independent Directors serving on the Company's Board beyond nine (9) years. The Board Charter stated that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to his/her redesignation as a Non-Independent Director. Otherwise, the Board must justify and seek shareholders' approval at the Annual General Meeting ("**AGM**") in the event the Board wishes to retain such Director as an Independent Director through two-tier voting.	
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 5.4 - Step Up
The board has a policy which limits the tenure of its independent directors to nine years without further extension.

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

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

Practice 5.5
Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

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

Application	:	Applied
Explanation on application of the practice	:	The NC which comprises exclusively INEDs is responsible for making its recommendation, candidates for directorships and, within the bounds of practicability, by any other senior executive or any Director or major shareholder and to take steps to ensure that gender, ethnicity and age group diversity are sought as part of its recruitment exercise. The Board had adopted a Directors' Fit and Proper Policy which sets out the approach, guidelines and procedures to ensure a formal, rigorous and transparent process is being adhered for the appointment, re-appointment and/or re-election of the Directors of the Group. The Directors' Fit and Proper Policy is available on the Company's website at https://www.farmprice.com.my/policies. During the FYE 2024, there was no new Director appointed to the Board 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 5.6
In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

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

Application	:	Applied
Explanation on application of the practice	:	The NC is delegated with the responsibility to source, identify, review and recommend candidates for appointment to the Board and Board Committees taking into consideration the optimum and effective size of the Board and the candidates' character, competency, knowledge and experience; professionalism; integrity and credibility; fit and properness; time commitment, particularly his number of other directorships; and in the case of the candidates for the position of INEDs, the NC would also evaluate the candidates' ability to discharge such responsibilities or functions as expected from INEDs. The NC will not limit themselves by solely relying on the recommendations from the existing Board members, senior management or major shareholders, but also will utilise variety of approaches, sources or independent sources to ensure that it is able to identify the most suitable candidates including but not limited to the sourcing from a directors' registry and open advertisements or the use of independent search firms and to obtain independent professional advice or other advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary. There was no Directors being sourced and appointed during the FYE 2024.
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 5.7
The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied	
Explanation on application of the practice	:	The details and profiles of the Directors are published in the 2024 Annual Report as well as the Company's website. These include their age, gender, tenure of service, directorships in other companies, working experience and any COI as well as their shareholdings in the Company, if any. The performance of retiring Directors who are recommended for re-election at the forthcoming AGM would be assessed through the Board and Board Committee evaluation which includes the independence of INEDs, if any. A statement by the Board and NC being satisfied with the performance and effectiveness of the retiring Directors standing for re-election at the AGM as well as the justification from the Board to support the re-election of Directors would be stated under the explanatory notes in the Notice of the AGM.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 5.8
The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied	
Explanation on application of the practice	:	The NC, which comprised exclusively INEDs, is chaired by Ms. Tea Sor Hua.	
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	:	The Board recognises that a gender-diverse Board could offer greater depth and breadth to better decision-making. For FYE 2024, the Board comprises two (2) female directors, representing 33.33% of women representation on Board, they are Ms. Liew Tsuey Er and Ms. Tea Sor Hua.	
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	:	The Board recognises that diversity is a critical attribute of a well-functioning leadership team, a more diverse leadership team better reflects the realities of the society, strengthens strategy formulation and risk management by adding varying perspectives and enhances the overall credibility of the Group. The summary of the Boardroom Diversity Policy will be disclosed in the Corporate Governance Overview Statement in the 2024 Annual Report.	
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.

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.	
Application :	Applied
Explanation on application of the practice :	The NC conducts an annual assessment of the Board, individual Directors, and Board committees, which include:- • effectiveness of the Board as a whole and the Board committees; • contribution and performance of each individual Director; • contribution and performance of the ARMC as a whole and each individual ARMC member; and • independence of the INEDs. These assessments are conducted annually, with each Director having the opportunity to provide feedback on the overall effectiveness of the Board and their individual contributions. Additionally, the NC evaluates the performance of the Board committees and individual ARMC members. The Company Secretaries compile the results, which are then tabled to the NC for review. For the FYE 2024, the NC is satisfied with the effectiveness of the Board, individual Directors, Board committees, ARMC and individual ARMC members based on the assessments conducted. The independence of the INEDs of the Company had been fulfilled in accordance with the ACE LR of Bursa Securities and the Board is confident that there would not be any impediment on their independence in carrying out their duties in respective Board and Board committees. The results supported the Board's decision to endorse the Retiring Directors for re-election. To enhance the Board's knowledge and skills for improved participation in meetings, Board members attended various training programs during the financial year under review. Details of these training sessions are disclosed in the Corporate Governance Overview Statement in the 2024 Annual Report.

Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board has adopted a Remuneration Policy for the Board and Senior Management that sets out the criteria to be used in recommending the remuneration package of Directors and Senior Management of the Company. The RC, when recommending the remuneration package of the Executive Directors and Senior Management, shall be guided by the components and procedures provided in the Remuneration Policy for the Board and Senior Management. A copy of the Remuneration Policy for the Board and Senior Management is available for viewing under the "Investor Relation" section of the Company's corporate website at https://www.farmprice.com.my/policies.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

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

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

Practice 7.2
The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

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

Application	:	Applied
Explanation on application of the practice	:	The Board has established the RC to assist to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration, fee and other benefits of the Board and senior management and to ensure that all Directors and senior management are fairly rewarded for their individual contributions to the Company's overall performance and that the remuneration is commensurate with the level of executive responsibility and is appropriate in light of the Company's performance. The duties and responsibilities of the RC as stated in its TOR, incudes but not limited to the followings:- (a) To formulate and recommend a framework of remuneration for the Managing Director, Executive Director and senior management for the Board's approval. There should be a balance in determining the remuneration package, which takes into account the demands, complexities and performance of the Company and its subsidiaries as well as skills and experience required; and which should be sufficient to attract and retain the Directors of calibre, and yet not excessive. The framework should cover all aspects of remuneration including Director's fee, salaries, allowance, bonuses, options and benefit-in-kind. (b) To review and assess the remuneration package of the Managing Director, Executive Director and senior management in all forms, with or without other independent professional advice or other outside advice. The remuneration packages shall be determined on the basis of the Directors' and key senior management's merit, qualification and competencies, while having regard to the Group's operating results, individual performance and comparable market statistics, which are aligned with the business

	strategy and long-term objectives of the Group. In addition, the performance of the Group in managing material sustainability risks and opportunities should also be considered. (c) To ensure the level of remuneration is sufficiently attractive and be able to retain and reward the Directors and senior management in order to run the businesses of the Group successfully. (d) To ensure the level of remuneration or fee should reflect the experience and level of responsibilities undertaken by the particular Director. (e) To recommend to the Board the remuneration package of the Managing Director, Executive Director and Directors' fee and other benefits for Non-Executive Directors. (f) To ensure that the remuneration and incentives for Independent Directors do not conflict with their obligations to bring objective and independent judgement to the Board. (g) To recommend matters relating to the remuneration of the Directors and senior management of the Group for the Board's consideration and decision. (h) To act in line with the directions of the Board. (i) To consider and examine such other matters as the RC considers appropriate. (j) To consider any other relevant matters as delegated by the Board. The TOR of the RC is available on the Company's corporate website at https://www.farmprice.com.my/policies.	
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 assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The details of the Directors' remuneration for the FYE 2024 for each individual Director with a breakdown into fees, salaries and bonus, benefits-in-kind and other emoluments are 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	Pauzi bin Yaman	Independent Director	40	1.5	-	-	-	-	41.5	40	1.5	-	-	-	-	41.5
2	Tiong Lee Chian	Executive Director	-	-	-	-	-	-	-	-	-	498	-	-	76.4	574.4
3	Liew Tsuey Er	Executive Director	-	-	-	-	-	-	-	-	-	180	-	-	23.8	203.8
4	Lim Poh Seong	Independent Director	24	1.5	-	-	-	-	25.5	24	1.5	-	-	-	-	25.5
5	Tea Sor Hua	Independent Director	24	1.5	-	-	-	-	25.5	24	1.5	-	-	-	-	25.5
6	Yap Koon Roy	Independent Director	24	1.5	-	-	-	-	25.5	24	1.5	-	-	-	-	25.5
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.

<table>
<tr><td>Application :</td><td>Departure</td></tr>
<tr><td>Explanation on application of the practice :</td><td></td></tr>
<tr><td>Explanation for departure :</td><td>The Board is of the view that the disclosure of the key senior management's remuneration will be counterproductive due to the competitive environment for talent in the industry in which the Group operates in.

As alternative practice, our Group has benchmarked the remuneration of key senior management to the industry in which it operates in and ensures that their remuneration is commensurate with the scope of work, responsibilities as well as their performance.

The key senior management's remuneration disclosed in this Report and in the financial statements section in the 2024 Annual Report is sufficient, complies with the Malaysian Financial Reporting Standards and achieves the objective that stakeholders are able to assess whether the remuneration of key senior management commensurate with their individual performance, taking into consideration our Group's performance.

As of FYE 2024, the key senior management's remuneration components including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.00, are as follows:-

<table>
<tr><th>Range Remuneration per annum</th><th>Number of Senior Management</th></tr>
<tr><td>RM50,001 to RM100,000</td><td>2</td></tr>
<tr><td>RM100,001 to RM150,000</td><td>1</td></tr>
</table>
</td></tr>
<tr><td colspan="2">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td>Please explain the measure(s) the company has taken or intend to take to adopt the practice.</td></tr>
</table>

Timeframe	:	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.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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.

Application	:	Applied	
Explanation on application of the practice	:	The ARMC is chaired by Mr. Lim Poh Seong, which is a separate person from the chair of the Board. This segregation of duties ensures the effectiveness and independence of the ARMC and enables the Board to objectively review the ARMC's findings and recommendations.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.2
The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied	
Explanation on application of the practice	:	None of the ARMC members was a former key audit partner of the Company. The TOR of the ARMC states that no former partner of the Company's external audit firm shall be appointed as a member of the ARMC unless the said former partner has observed a cooling-off period of at least three (3) years before being appointed as a member of the ARMC. The TOR of the ARMC is available on the Company's corporate website at https://www.farmprice.com.my/board-charter-terms-of-references.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.3
The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied
Explanation on application of the practice	:	The ARMC has policies and procedures to assess the suitability, objectivity and independence of External Auditors and that such assessment would be carried out annually. The outcome of the assessment would form a basis for the ARMC in making recommendation to the Board on the re-appointment of the External Auditors for the ensuing year at the AGM. The Board had adopted the policies and procedures to assess the suitability, objectivity and independence of the External Auditors of the Company. The ARMC carried out the annual assessment for the FYE 2024 and in its assessment, the ARMC considered, inter alia, the following factors: - For "***suitability***" assessment:- • The External Auditors have the adequate resources, skills, knowledge and experience to perform their duties with professional competence and due care in accordance with approved professional auditing standards and applicable regulatory and legal requirements; • To the knowledge of the ARMC, the External Auditors do not have any record of disciplinary actions taken against them for unprofessional conduct by the Malaysian Institute of Accountants ("**MIA**") which has not been reserved by the Disciplinary Board of MIA; • The External Auditors have the geographical coverage required to audit the Group; • The External Auditors advised the ARMC on significant issues and new developments pertaining to risk management, corporate governance, financial reporting standards and internal controls on a timely basis; • The External Auditors consistently meet the deadlines set by the Group; • The level of quality control procedures in the external audit firm, including the audit review procedures; and

	• The External Auditors' scope is adequate to cover the key financial and operational risks of the Group. For "***objectivity***" assessment:- • The nature and extent of the non-audit services rendered and the appropriateness of the level of fees. For "***independence***" assessment:- • The engagement partner has not served for a continuous period of more than five (5) years with the Company; • The ARMC receives written assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements; and • Tenure of the current auditors. The ARMC noted that for the FYE 2024, Messrs. Baker Tilly Monteiro Heng PLT ("**Baker Tilly**"), the External Auditors of the Company had confirmed in writing that the engagement quality control reviewer and members of the engagement team in the course of their audits were and had been independent in accordance with the terms of relevant professional and regulatory requirements, for the purpose of the audits. Upon completion of its assessment, the ARMC was satisfied with Baker Tilly's technical competency, i.e. suitability and independence during the financial year under review and recommended to the Board the re-appointment of Baker Tilly as external auditors for the FYE 2025. The Board has in turn, recommended the same for shareholders' approval at the forthcoming 2nd AGM 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
There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up
The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	For FYE 2024, the ARMC of the Company comprise solely of the following INEDs:- (a) Mr. Lim Poh Seong – Chairman (b) Ms. Tea Sor Hua – Member (c) Mr. Yap Koon Roy – Member

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.5
Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

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

Application :	Applied	
Explanation on application of the practice :	The ARMC Chairman, Mr. Lim Poh Seong, is a registered Chartered Accountant with the Malaysian Institute of Accountants. All members of the ARMC are able to understand matters and issues within the capacity of the ARMC. The ARMC members possess vast experience, knowledge and understanding on the business and the industry in which the Group operates in. Thus, enabling the ARMC to discharge its duties effectively. The qualification and experience of the individual ARMC members are disclosed in the Directors' Profile in the 2024 Annual Report. The trainings and courses attended by the members of the ARMC are disclosed in the 2024 Annual Report.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

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

Practice 10.1
The board should establish an effective risk management and internal control framework.

Application	:	Applied	
Explanation on application of the practice	:	The Board has established a risk management and internal control framework to identify and assess risks and monitor of internal controls to mitigate and control business risks. The Board acknowledges that the Group's business activities involve some degree of risks and key management staff, and Heads of Department are responsible for managing identified risks within defined parameters and standards. The ARMC oversees the risk management and internal control framework of the Company. The Internal Auditors presents the internal audit report to the ARMC quarterly for the ARMC's attention. The Statement on Risk Management and Internal Control is set out in the 2024 Annual Report and provides an overview of the internal control within the Group for the FYE 2024.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

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

Practice 10.2
The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied	
Explanation on application of the practice	:	The Board, through the ARMC, oversees the risk management and internal control of the Group. The ARMC, with the assistance of the Management team, assesses the risk tolerance of the Group, identifies the risk issues faced by the Group and takes appropriate actions to manage the identified risks within defined parameters. The Company has also appointed Internal Auditors to provide independent assessments of the adequacy, efficiency and effectiveness of the Company's internal control system. The Internal Auditors reports directly to the ARMC, and internal audit plans would be tabled to the ARMC for review and approval to ensure adequate coverage. The Statement on Risk Management and Internal Control in the Annual Report provides detailed information on the state of the risk management and internal controls within the Group. The Group will continuously enhance the existing system of risk management and internal control by taking into consideration the changing business environment.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

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

Practice 10.3 - Step Up
The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application	:	Adopted
Explanation on adoption of the practice	:	The Board has delegated the ARMC to be responsible with following matters relating to the risk management, which are set out in its TOR:- (a) oversee and recommend the risk management and internal control framework of the Group. (b) review and recommend changes as needed to ensure that the Group has in place at all times a risk management policy which addresses the strategies, operational, financial and compliance risk. (c) implement and maintain a sound risk management framework which identifies, assesses, manages and monitors the Group's business risks. (d) review the reporting guidelines for the Management to report to the ARMC on the effectiveness of the Group's management of its business risks. (e) review the risk profile of the Group and to evaluate the measure taken to mitigate the business risks. (f) review the adequacy of the Management's response to issues identified to risk registers, ensuring that the risks are managed within the Group's risk appetite.

Intended Outcome

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

Practice 11.1

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

Application	:	Applied	
Explanation on application of the practice	:	The internal audit function is outsourced to GovernanceAdvisory.com Sdn. Bhd. ("**GASB**"), an independent professional firm to conduct regular reviews in accordance with the internal audit plan or other ad-hoc assignments which are approved by the ARMC, and to assess on the adequacy, efficiency and effectiveness of the Group's internal control system. The internal auditors report directly to the ARMC and meet the ARMC on a regular basis to review the internal audit findings and to discuss on the corrective action plans in order to ensure that the control weaknesses highlighted in the internal audit reports are appropriately addressed by Management. The detailed information related to the internal audit function can be obtained from the ARMC Report and Statement of Risk Management and Internal Control in the 2024 Annual Report.	
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.

Application	:	Applied	
Explanation on application of the practice	:	The internal audit function of the Group assigned by GASB comprises ten (10) audit executives and is led by Mr. Wong Tchen Cheg ("**Mr Wong**"), an experienced internal auditor who has been with GASB for approximately 16 years, having joined in year 2015. Mr. Wong is a member of MIA and Certified Public Accountant (CPA) Australia. For the FYE 2024, GASB's engagement team personnel affirmed to the ARMC that in relation to the Group, they were free from any relationships or COI, which could impair their objectivity and independency. The outsourced internal audit performs their work by referring to a recognised framework, such as the International Professional Practices Framework issued by the Institute of Internal Auditors. The outsourced internal auditor assigned two (2) personnel to perform internal audits for the Group. More information on the internal audit function can be obtained from the Statement of Risk Management and Internal Control in the 2024 Annual Report.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board ensures that there is effective, transparent and regular communication with its stakeholders through a variety of communication channels as follows:- • Announcements to Bursa Securities Material information, updates and periodic financial reports are published on a timely basis through announcements to Bursa Securities. Shareholders and investors can obtain the Company's latest announcements such as quarterly financial results in the dedicated website of Bursa Securities at www.bursamalaysia.com. • Annual Reports The Company's Annual Reports to the shareholders is the central means of communicating to the shareholders, amongst others, the Company's operations, activities and performance for the past financial year end as well as the status of compliance with applicable rules and regulations. • AGM/General Meetings The AGM/General Meetings which are used as the main forum of dialogue for shareholders to raise any issues pertaining to the Company. The Board will also ensure that the stakeholders are given the opportunity to speak and seek clarifications during the Company's AGM/General Meetings for effective and transparent communications with its stakeholders. • Corporate Website The Company's corporate website offers a wide range of relevant information about its operations and is publicly accessible.

	The Company regularly updates the corporate website for the stakeholders and general public to access information on amongst others, the Group's corporate profile, products, financial performance, announcements published on Bursa Securities' website, Board Charter, Board Committees' Terms of Reference and corporate information. The Company's corporate website is accessible at https://www.farmprice.com.my/.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

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

Practice 12.2
Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:		
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 13.1
Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application :	Applied	
Explanation on application of the practice :	The Company will serve all shareholders at least twenty-eight (28) days' notice for the forthcoming 2nd AGM. The Notice of the 2nd AGM will provide a detailed explanation for the resolutions proposed along with any background information and reports or recommendation that are relevant, where required and necessary, to enable shareholders to make informed decisions in exercising their voting rights.	
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	:	The Company held its First (1st) AGM on 4 April 2024, prior to being listed on the ACE Market of Bursa Securities. The Company will hold its 2nd AGM on 13 June 2025 and all the Directors of the Company have planned to be physically present at the said Meeting. The Board and the Chairs of the ARMC, NC and RC are committed to provide meaningful responses to questions posed to them during the 2nd AGM.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 13.3
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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company was listed on the ACE Market of Bursa Securities on 14 May 2024. The forthcoming 2nd AGM of the Company will be physically held at Endau & Senai Hall, 1st Floor, Impiana Hotel Senai, Jalan Impian Senai Utama 2, Taman Impian Senai, 81400 Senai, Johor Darul Takzim on 13 June 2025 and remote participation by shareholders is not available. All resolutions set out in the Notice of the 2nd AGM of the Company will be voted by poll. The forthcoming 2nd AGM will provide an opportunity for shareholders to participate at the AGM in person and to raise relevant questions to the Chairman and the Board on a face-to-face basis. In view that there is no remote shareholders' participation in a physical meeting, no voting in absentia can be arranged.	
		Depending on the demand and location of the shareholders, the Board may consider convening future AGMs on a hybrid basis.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

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.

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.			
Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Board will ensure that sufficient opportunities were given to shareholders to raise issues relating to the affairs of the Company by providing ample time for the Question-and-Answer session during the General Meetings of the Company. The Directors of the Company will endeavour to respond to relevant questions addressed to them during the General Meetings of the Company. The representative of the External Auditors and Sponsor will also be attending and participating in the General Meetings of the Company to respond to the queries raised by the shareholders.	
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 13.5
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.

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.			
Application	:	Not applicable – only physical general meetings were conducted in the financial year	
Explanation on application of the practice	:		
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 13.6
Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.			
Application	:	Applied	
Explanation on application of the practice	:	The Company will ensure that the minutes of the forthcoming 2nd AGM is published on Company's website at https://www.farmprice.com.my/annual-extraordinary-general-meeting no later than thirty (30) business days after the AGM.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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.

N/A.