

## **CORPORATE GOVERNANCE REPORT**

**STOCK CODE** : 7114  
**COMPANY NAME** : D'nonce Technology Bhd.  
**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 TO 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 of Directors ("the Board") is responsible in leading and setting the strategic direction and oversees the overall management of D'nonce Technology Bhd. ("the Company") and its subsidiaries ("the Group"). The Board would ensure that the necessary resources are in place for the Company to meet its objectives while regularly reviewing Management performance. The Board also sets the Company's values and standards and ensure that its obligations to its shareholders and other stakeholders are understood and met.</p> <p>The Board retains full and effective control over the business undertakings and provides an effective oversight of the conduct of the Group's businesses. This includes its responsibilities of reviewing, adopting and monitoring the implementation of strategic and business plans for the Group by Management, which is led by the Executive Director ("ED") together with the key senior management, as well as ensuring appropriate risk management and internal control systems are in place by regularly reviewing such systems to ensure their adequacy, integrity and effectiveness.</p> <p>The Group has a Board Charter in place which sets out, among others, the roles and responsibilities, authorities, procedures, evaluations and structures of the Board and Board Committees. The Board Charter is reviewed and updated annually in accordance with the needs of the Group and any new regulations that may have an impact on the Board's duties and responsibilities. It was last reviewed on 25 July 2025 and a copy of which is available on the Company's website at <a href="http://www.dnonce.com">http://www.dnonce.com</a>.</p> <p>The Board Charter also sets out the Board's authority and power to delegate certain functions to the Board Committees and Key Senior Management, whereby the Board Committees are authorised to operate within their respective clearly defined Terms of Reference ("TOR") approved by the Board and report to the Board with their proceedings, deliberations and recommendations. The TOR of the respective Board Committees are subject to review as and when necessary and are published within the Board Charter on the Company's website at <a href="http://www.dnonce.com">http://www.dnonce.com</a>.</p>

	<p>The Board has established and adopted a Code of Conduct (“the Code”) for all Directors and employees of the Group. The Code, as incorporated in the Board Charter, has been formulated to enhance the standard of corporate governance and promote ethical conduct of the Directors. In addition, the Board has also established and put in place the Whistleblowing Policy and Anti-Bribery and Anti-Corruption Policy (“ABAC Policy”), which have been adopted by the Group, in the effort of instilling and communicating the Group’s core values standards to the stakeholders.</p> <p>The Code, Whistleblowing Policy and ABAC Policy adopted for Directors and employees of the Group are subject to review by the Board as and when necessary to ensure it remains relevant and appropriate. The aforesaid are made available for reference within the Board Charter published on the Company’s website at <a href="http://www.dnonce.com">http://www.dnonce.com</a>.</p>	
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 1.2**

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>Dato' Moktar Bin Mohd Noor, who is an Independent Non-Executive Chairman, is primarily responsible for the overall leadership and ensuring the Board's effectiveness and overall conduct, good corporate governance practices and efficient functioning of the Board.</p> <p>The key roles of the Chairman, amongst others, are as follows:-</p> <ul style="list-style-type: none"> <li>(a) responsible for the overall leadership and efficient functioning of the Board;</li> <li>(b) ensure that the Board functions effectively, cohesively and independently of Key Senior Management;</li> <li>(c) leading the Board in establishing and monitoring good corporate governance practices in the Company;</li> <li>(d) setting the Board agenda and ensuring that the Board members receive complete and accurate information in a timely manner;</li> <li>(e) leading the Board, including presiding over Board meetings and Company meetings and directing Board discussions to effectively use the time available to address the critical issues facing the Company;</li> <li>(f) encouraging active participation and allowing dissenting views to be freely expressed by the Board members;</li> <li>(g) acting as liaison between the Board and Key Senior Management and promoting constructive and respectful relationship within and between Board members and Key Senior Management;</li> <li>(h) ensure that there is effective communication between the Company and/or Group and its shareholders and relevant stakeholders and that their views are communicated to the Board as a whole; and</li> <li>(i) carrying out other duties as requested by the Board as a whole, depending on the needs and circumstances.</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 roles of Chairman and Chief Executive Officer ("CEO") are held by two different individuals and the roles and responsibilities of which are made clearly distinct to ensure and further enhance the existing balance of power and authority.</p> <p>The Chairman's role is currently held by Dato' Moktar Bin Mohd Noor, who is an Independent Director. The Chairman is responsible for the orderly conduct and ensuring the effective functioning of the Board.</p> <p>At this juncture, the Company has yet to appoint a CEO and currently the ED assumed the role.</p> <p>The roles and responsibilities of the Chairman and CEO are provided in the Company's Board Charter, which is available on the Company's website at <a href="http://www.dnonce.com">http://www.dnonce.com</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.

*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'.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	Dato' Moktar Bin Mohd Noor, who is the Chairman of the Board, is not the member of Audit and Risk Management Committee ("ARMC"), Nominating Committee ("NC") and Remuneration Committee ("RC").
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 1.5**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group recognises the importance to have a suitably qualified and competent Company Secretary as a central point for governance matters. The Board was supported by Ms. Wong Yuet Chyn and Ms. Adeline Tang Koon Ling.</p> <p>The Company Secretaries possess sound knowledge in companies' law, regulations and other compliances such as listing requirements. They provide corporate governance and compliance advisory, ensuring the Board adhered to. They also manage the meeting and records of minutes, as well as facilitating Board's communication.</p> <p>In addition, the Company Secretaries manages processes pertaining to general meetings and act as a focal point for stakeholders' communication and corporate governance matters.</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>Management and Company Secretary ensure that the Board receive adequate and timely information before Board and Board Committee meetings.</p> <p>All Board and Board Committees are provided with notice of meeting with full agenda and the relevant board papers, reports including matters arising, financial, operational and regulatory compliance matter, at least seven (7) days prior to meetings to ensure that the Directors have sufficient time to review and evaluate the matters to be deliberated and obtain further information, if needed, prior to meeting to expedite decision-making during meetings. However, the Board and Board Committees also hold meetings to discuss and/or approve certain urgent matters and these meetings are called with less than 7-day notice, with the consent of all respective Board or Board Committee members. During the Board and Board Committees' meetings, the key senior management were also invited to provide additional information and explanation accordingly.</p> <p>The deliberations of the Board and Board Committees, as well as the decision outcome and conclusion of the meetings, including whether any Director abstained from voting or deliberating on a particular matter are minuted in the minutes of meetings by the Company Secretary. These minutes of meetings are circulated to all Directors for review as soon as practicable before the next meeting and signed by the Chairman of the Board or Board Committees as a correct record of the proceedings of the meeting based on the confirmation from all the Board or Board Committee members. Thereafter, the signed minutes would be kept in the minutes book maintained by the Company Secretary.</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 adopted a formal Board Charter which defined and sets out, among others, the demarcation of respective roles and responsibilities, as well as clarity in the authority of the Board, Board Committees, individual Directors and Key Senior Management. These are detailed in the Company's Board Charter</p> <p>The Board appropriately delegates its authority to Board Committees or Key Senior Management. Despite the delegation of authority, the Board does not abdicate its responsibility and at all times exercise collective oversight of the Board Committees and Management. The Board does not delegate matters to one Board Committee or Management to an extent that would significantly hinder or reduce its ability to discharge its functions. Regular review of the division of responsibilities is conducted to ensure that the Group is able to adapt to changing business circumstances.</p> <p>Specific roles, duties and responsibilities of the respective Board Committees were further defined in their respective TOR. The reserved matters, such as corporate plans and exercises, material acquisitions and disposals, changes in Board composition and Management, review of financial results and annual reports, annual budgets, new ventures and etc, as stipulated in the Board Charter, shall be reserved for the Board's decision and approval.</p> <p>The Board Charter is reviewed by the Board annually and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities, to ensure that it reflects the governance expectation of the stakeholders and authorities. The Board Charter was last reviewed on 25 July 2025.</p> <p>The Board Charter and the TORs of the respective Board Committees are available for reference at the Company's website at <a href="http://www.dnonce.com">http://www.dnonce.com</a>.</p>
<b>Explanation for departure</b>	:	

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<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 has formalised the Code, as incorporated in the Board Charter of the Company. The Code provides guidance on ethical and behavioural considerations and actions to the Board, Management and employees of the Group when they are performing their duties and obligations. It outlines a comprehensive standard of conduct expected of all employees and it principally covers the following values :-</p> <ul style="list-style-type: none"> <li>• Integrity</li> <li>• Sense of responsibility</li> <li>• Emphasis on quality</li> <li>• Discipline</li> <li>• Sense of teamwork</li> </ul> <p>Within the above scope of values, the Code, amongst others, outlines the conduct in relation to corruption, misuse of official position, discipline in the workplace, sexual harassment, confidentiality, conflict of interest, company's proprietary information, public disclosure and health and safety.</p> <p>The Board also adopts a zero-tolerance approach against all forms of bribery and corruption and the Group is committed to acting professionally, fairly and with integrity in all business dealings and relationships by implementing and enforcing effective systems to counter bribery. With Section 17A of the Malaysian Anti-Corruption Commission Act 2009 came effect on 1 June 2020, the Board had approved and implemented the Group Anti-Bribery and ABAC Policy which sets out a guide on the appropriate practices to be complied with in relation to improper solicitation, bribery and other corrupt activities and/or issues that may arise in the course of business and is applicable to all employees and Directors of the Group.</p> <p>The Board would periodically review the Code and the ABAC Policy to ensure adequacy and to reflect the latest regulatory requirements. The Code and the ABAC Policy are made available for reference within the Board Charter published on the Company's website at <a href="http://www.dnonce.com">http://www.dnonce.com</a>.</p>
<b>Explanation for departure</b>	:	

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<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 Board encourages employees to report genuine concerns in relation to unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements without fear of reprisal.</p> <p>To facilitate the abovesaid, the Board has established and adopted a Whistleblowing Policy to provide an avenue to facilitate all employees of the Group and members of the public to raise any concerns or disclose any improper conduct involving the Group and its Directors or employees, and take appropriate action to resolve it effectively, underlining its protection and reporting channels.</p> <p>This policy is further enhanced with the Whistleblower Protection Act 2010, where a whistle-blower must be given proper protection against an employer while a complaint is being investigated. Harassments or retaliations in any form or manner against genuine whistle-blower, if proven, shall be treated as gross misconduct, which may lead to dismissal.</p> <p>Amongst others, the Whistleblowing Policy is to ensure that a whistle-blower can report or disclose through established channels, concerns that are taking place/has taken place/may take place in the future. Only genuine concerns should be reported and this report should be made in good faith with a reasonable belief that the information and any allegation contained within are substantially true, and the report is not made for personal gain. Malicious and false allegations will be viewed seriously and if proven, may lead to dismissal or other punitive measures including legal actions.</p> <p>To facilitate the channel of reporting by whistle-blowers and to ensure confidentiality, the Board has identified the respective levels of authority within the Group for which the report shall be first addressed to the Chairman of ARMC. Should the concerns have yet to be resolved, the whistle-blowers should contact the Chairman of the Board.</p> <p>The Board had also adopted the ABAC Policy which governs the prevention of corruption and unethical practices within the Group and sets out a guide on the appropriate practices to be complied with in relation to improper solicitation, bribery and other corrupt activities and/or issues that may arise in the course of business.</p>

	Both Whistleblowing Policy and ABAC Policy are available within the Board Charter published on the Company's website at <a href="http://www.dnonce.com">http://www.dnonce.com</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**

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	:	<p>The Board acknowledged the importance of business sustainability and reviews the Group’s operational practices that affect sustainability of economic, environment, governance and social aspects of its business on a regular basis. The Group has established a formal sustainability framework and undertake material sustainability initiatives, setting the Group’s sustainability strategies priorities and targets as outlined in the Company’s Sustainability Statement presented on pages 9 to 19 of the Annual Report 2025.</p> <p>The Board has the responsibility to promote and ensure sustainability excellence is embedded and executed in the Group’s vision, core values and business philosophies. The implementation is headed by the ED as well as the key management personnel, who are involved and responsible in the supervision of the sustainable practices and operations.</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**

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

**Practice 4.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Group recognised the importance of the interest and support of the stakeholders in our business ecosystem. Close engagement and understanding are maintained with our various stakeholders as their perspectives are essential to help the Group prioritise the actions for continuous sustainable improvements. The Group also ensures that its communication with the internal and external stakeholders are transparent and timely.</p> <p>The Group is committed to being accountable and responsive to the expectations and interests of its stakeholders. The Group has identified the key stakeholder groups, the corresponding sustainability focus areas and the type of engagement with such stakeholders, details of which as disclosed in the Company's Sustainability Statement presented on pages 9 to 19 of the Annual Report 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 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>	:	<p>The Board has attended seminars/conferences/training programmes throughout the financial year 2025, to ensure that they continuously stay abreast on the latest developments relevant to the Group and its business, including topics in relation to sustainability issues.</p> <p>The Board will continue to attend other relevant education and/or training programmes to keep abreast with latest developments and knowledge on various sustainability related issues as well as efforts to address them on a continuous basis. The Board would also provide their views and opinions on the Group's sustainability issues during the Board meetings.</p> <p>Details of the seminars/conferences/training programmes attended by the current respective Board members are available on item 1.6 – Directors' Training of the Corporate Governance Overview Statement on page 34 to 35 of the Annual Report 2025.</p>	
<b>Explanation for departure</b>	:		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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	:	Applied	
Explanation on application of the practice	:	The Board through the NC reviewed the current performance evaluation forms for the assessment and evaluations of the Board, Board Committees and Senior Management of the Company which include a review of the performance of the Board and Senior Management in addressing the Company's material sustainability risks and opportunities.	
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 4.5- 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>	:	This Step Up practice is not applicable to the Company, as the Company is not a Large Company.

**Intended Outcome**

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

**Practice 5.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The annual re-election of Director is performed according to the relevant provisions under the Company's Constitution by the NC.</p> <p>Pursuant to Clause 107 of the Company's Constitution, one-third (1/3) of the Directors for the time being shall retire from office annually, provided always that all Directors shall retire once at least in each three (3) years but shall be eligible for re-election. The Directors to retire in each year shall be those who have been longest in office since the Director's last election.</p> <p>Each Board Member was provided with performance evaluation forms and questionnaires for the assessment of the Board, Board Committees and Individual Directors after the end of each financial year. The results of the individual Director's performance evaluation outcome had supported the NC's review and recommendation, as well as the Board's decision to endorse the retiring Directors standing for re-election, in contingent on satisfactory evaluation of the said Director's performance and contribution to the Board, with due consideration of the tenure, expertise, skills, knowledge and experience of the Director.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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 majority of independent directors.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>As at the date of the issuance of this report, the Board consists of five (5) members, comprising one (1) Executive Director and four (4) Independent Non-Executive Directors ("Independent Directors") including the Chairman.</p> <p>The Independent Directors are:-</p> <ul style="list-style-type: none"> <li>(a) Dato' Moktar Bin Mohd Noor;</li> <li>(b) Datuk Sham Shamrat Sen Gupta;</li> <li>(c) Datin Ong Poh Lin Abdullah; and</li> <li>(d) Kong June Hon.</li> </ul> <p>The composition of the Board complies with Paragraph 15.02(1)(a) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), i.e. at least two (2) directors or one-third (1/3) of the Board, whichever is higher, are Independent Directors.</p> <p>The independence of the Independent Directors is assessed annually via letter of confirmation of independence. All the Independent Directors of the Company comply with the relevant criteria for independence as defined under Paragraph 1.01 of the MMLR of Bursa Securities.</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 5.3**

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>	:	<p>The Board Charter of the Company provides that:</p> <p><i>"The tenure of an Independent Director shall not exceed a cumulative term of 9 years. However, upon completion of the nine (9) years, the Independent Director may continue to serve the Board, subject to the Director being re-designated as a Non-Independent Director. If the Board intends to retain an Independent Director beyond nine (9) years, it should provide justification and seek annual shareholders' approval through a two-tier voting process."</i></p> <p>As at the date of issuance of this report, there is no Independent Non-Executive Directors who have served on the Board for a cumulative term of more than nine (9) years.</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 5.4 - 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.*

<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 is always mindful of various diversity factors to strengthen the Board composition that meets the objectives and strategic goals of the Company. The evaluation of the suitability of candidates as the new Board member is based on the candidates' competency, skills, character, time commitment, knowledge, experience and other qualities in meeting the needs of the Company, regardless of gender, age and ethnicity.</p> <p>The NC is responsible for leading the process of the nomination of candidates for the appointment of new Board members and Key Senior Management and made the necessary recommendation to the Board for approval, after taking into consideration, amongst others, various diversity factors of the candidates including skills, knowledge, expertise, experience, professionalism, integrity, ethnicity and gender shall be sought as part of its recruitment exercise. In the case of candidates for the position of Independent Directors, the NC should also evaluate the candidates' ability and suitability to discharge such responsibilities/functions as expected for Independent Directors.</p> <p>In assessing the suitability and integrity of candidates, the NC will evaluate the core competencies, time commitment, possible contribution and past performance history of the markets and the industry in which the Group operates their knowledge in accounting, finance and legal matters. These criteria will be assessed in the subsequent annual performance review on an on-going basis to ensure that Directors continue to be able to match the increasing expectations from the stakeholders.</p> <p>Board Members would be provided with the performance evaluation forms and questionnaires for the assessment of the Board, Board Committees and individual Directors after the end of each financial year. Based on the aforesaid, the NC would then assess the effectiveness of each Board Committees and the Board as a whole and report to the Board the summary outcome of such annual performance evaluation.</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>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>As disclosed in Practice 5.5, the NC is responsible for leading the process of the nomination of candidates for the appointment of new Board members and Key Senior Management and made the necessary recommendation to the Board for approval.</p> <p>The Company has in place, its procedures and criteria for identifying candidates for appointment of directors. All candidates for appointment are first considered by the NC and RC, taking into account the suitability and mixture of skills, competencies, experience, professionalism and other relevant qualities in meeting the needs of the Company.</p> <p>In the process of identification of suitable new candidates, the NC does not solely rely on recommendations from the existing Board members, Management or major shareholders. The Board will ensure that an appropriate review or search is undertaken by the NC and/or an independent third party if necessary, to facilitate informed decision-making and suitable appointment.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.7**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The profile of each Director, including the details of their age, work experience, professional qualifications, skillsets, educational background, directorships in other and non-listed public companies, family relationship with any other Director and/or major shareholder of the Company, as well as their conflict of interest with the Company (if any), etc, are set out on pages 20 and 22 of the Annual Report 2025 for shareholders' reference and purview.</p> <p>In addition, shareholders could also ascertain other important information pertaining to the independence of the Independent Directors of the Company in terms of their controlling share interest of in the Company (if any), any related party transactions involving their interest, their remuneration, meeting attendance, position and roles in Board Committees and the responsibilities undertaken before casting their vote for the appointment or re-election of the Directors.</p> <p>The Board's statement of support on the appointment (if any) or re-election of the Directors is set out in the explanatory notes of the Notice of Annual General Meeting ("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**

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

**Practice 5.8**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NC is chaired by Datuk Sham Shamrat Sen Gupta, the Independent Non-Executive Director, who was appointed as Chairman of the NC on 29 September 2021.</p> <p>The other member of the NC is Mr. Kong June Hon, who is also an Independent Non-Executive Director.</p> <p>The roles of the Chairman of the NC shall include:-</p> <p>(a) leading the succession planning and appointment of board members, including the future Chairman and Chief Executive Officer; and</p> <p>(b) leading the annual review of board effectiveness, ensuring that the performance of each individual director is independently assessed.</p> <p>The profiles of the NC can be viewed in the Annual Report 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**

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

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	<p>As of the issuance of the report, there is one (1) female Director on the Board.</p> <p>The Board recognises the importance of diversity with the right mix of skills and experience in Board's composition in ensuring its effectiveness and good corporate governance. The Board will review its composition as and when it is required and will formalise and adopt a Gender Diversity Policy in due course.</p>	
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>			
<b>Measure</b>	:	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**

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

**Practice 5.10**

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Board has yet to establish a formal Gender Diversity Policy for the Board and Senior Management	
		The Board will deliberate and define a formal Gender Diversity Policy in due course.	
<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**

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.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NC is accountable to the Board to undertake the annual performance evaluation of the Board's effectiveness as a whole, including the performance of the various Board Committees and each Individual Director's contribution to the Board performance.</p> <p>As explained in Practice 5.1, each Board Member was provided with the performance evaluation forms and questionnaires for the assessment of the Board, Board Committees and individual Director after the end of each financial year. The Directors' responses will then be collated by the Company Secretary and a summary of the findings will be submitted to the NC for deliberation during the NC meeting. The NC will then review and assess the adequacy of the Board's composition and Individual Director's performance through the summary and make the necessary recommendation to the Board.</p> <p>The assessment of the Board is based on four (4) main areas relating to the Board mix and composition, quality of information and decision making, Boardroom activities and the Board Committees' roles and responsibilities. For individual Director self/peer evaluation, the criteria for the assessment, among others, include the Director's knowledge, skillsets, time commitment, constructive inputs, effective discharge of responsibilities and level of participation in the Board and/or Board Committees' meetings.</p> <p>The observations of the assessment indicated that the performance of the Board, the Board Committees and the individual Directors during the year had been satisfactory and effective in overall discharge of functions and duties. The NC and the Board is also satisfied with the level of independence demonstrated by the Independent Directors throughout the year and their abilities to exercise objective judgment and act in the best interest of the Company.</p>

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



**Intended Outcome**

The 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 RC is responsible for reviewing and making recommendations to the Board the overall remuneration packages for all Directors and Key Senior Management of the Company to the Board on an on-going basis.</p> <p>The RC believes in a remuneration policy that fairly supports the Directors' and Key Senior Management's responsibilities and fiduciary duties in steering the Group to achieve its long-term goals and enhance shareholders' value.</p> <p>The RC would recommend to the Board a remuneration package for the ED that is fairly guided by market norms and industry practice. The ED will not be involved in deciding and approving their own remuneration.</p> <p>The rewards for ED are based on his performance against the Company's results. The following factors shall be taking into consideration in determining the quantum of remuneration:-</p> <ul style="list-style-type: none"> <li>• Position and scope of work</li> <li>• Business strategy and long-term objectives of the Company</li> <li>• Complexity of the Company's activities</li> <li>• Performance</li> <li>• Number of years of service</li> <li>• Experience</li> <li>• Salary based on industries standard</li> </ul> <p>The Directors' fees and emolument benefits reviewed by the RC are also subject to the endorsement of the Board and approval of the shareholders at the Company's AGM. Directors who are shareholders will abstain from voting and deliberation of their own remuneration at the AGM to approve their fees.</p> <p>The TOR of the RC and the Directors' Remuneration Policy are set out in the Board Charter which is available on the Company's website at <a href="http://www.dnounce.com">http://www.dnounce.com</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 RC comprise of three (3) members, with all of them being Independent Directors. The current composition of the RC is as follows:-</p> <p>(a) Chairman – Datuk Sham Shamrat Sen Gupta (Independent Non-Executive Director)</p> <p>(b) Member – Datin Ong Poh Lin Abdullah (Independent Non-Executive Director)</p> <p>(c) Member – Mr. Kong June Hon (Independent Non-Executive Director)</p> <p>The RC is responsible for carrying out annual reviews whereupon recommendations are submitted to the Board on the overall remuneration package for all Directors and Key Senior Management, to ensure that the remuneration package remains competitive and in support of its corporate objectives and shareholder value and is in tandem with its culture and strategy, to attract, retain and motivate high calibre and talented individuals to work with the Company.</p> <p>The roles and functions of RC are governed under its TOR, detailing its authority and duties authorised by the Board. The RC's TOR is set out in the Board Charter which is available on the Company's website at <a href="http://www.dnonce.com">http://www.dnonce.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 8.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The detailed disclosure on named basis for the remuneration of individual Directors who served the Board during the financial year ended 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	Dato' Moktar Bin Mohd Noor	Independent Director	120,000	6,000	-	10,000	-	-	136,000	120,000	6,000	-	10,000	-	-	136,000
2	Datuk Sham Shamrat Sen Gupta	Independent Director	48,000	6,000	-	4,000	-	-	58,000	48,000	6,000	-	4,000	-	-	58,000
3	Datin Ong Poh Lin Abdullah	Independent Director	48,000	6,000	-	4,000	-	-	58,000	48,000	6,000	-	4,000	-	-	58,000
4	Roy Ho Yew Kee (Appointed on 17 July 2024)	Executive Director	-	2,000	60,000	10,000	-	9,096	81,096	-	2,000	240,000	12,630	-	33,129	287,759
5	Kong June Hon (Appointed on 16 June 2025)	Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Kang Teik Yih (Resigned on 21 March 2025)	Independent Director	46,710	6,000	-	4,000	-	-	56,710	46,710	6,000	-	4,000	-	-	56,710

**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>The remuneration of the top five (5) Senior Management of the Company is disclosed in bands of RM50,000 under the Corporate Governance Overview Statement of the Annual Report 2025 without disclosing by name basis. Shareholders can evaluate the appropriateness of the total remuneration paid against the financial performance of the Group.</p> <p>The Board is of the view that disclosing the details of the Senior Management personnel's remuneration components, including salary, bonus, benefits-in-kind and other emoluments in the bands of RM50,000 by name basis is not in the best interest of the Company, as such disclosure would have adverse effect to the Company's talent retention in the highly competitive industry and human resource environment.</p> <p>Alternatively, the number of senior management personnel whose remuneration falls within the respective bands has been disclosed in bands of RM50,000 in the Corporate Governance Overview Statement on page 41 of the Annual Report 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.

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>	:	<p>The current Chairman of the ARMC is Mr. Kong June Hon, whilst the Chairman of the Board is Dato' Moktar Bin Mohd Noor.</p> <p>Details of the current ARMC's composition and the summary of work of activities of the ARMC are set out in the ARMC report on pages 48 to 51 of the Company's Annual Report 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**

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>As of the date of issuance of this Report, none of the ARMC member is a former partner of the Company's External Auditors ("EA"), Messrs. Grant Thornton Malaysia PLT ("Messrs. Grant Thornton").</p> <p>The Board recognises the importance of observing the cooling-off period to safeguard the independence of the audit by avoiding the potential threats which may arise when a former partner exerts influence over the audit and preparation of the Group's financial statements.</p> <p>This practice has been adopted by the ARMC as stipulated in its TOR where it has put in place the policy that requires a former key audit partner of the Company to observe the required cooling-off period of at least three (3) years before being appointed as a member of the ARMC.</p> <p>The TOR of the ARMC is set out in the Board Charter which is available on the Company's website at <a href="http://www.dnonce.com">http://www.dnonce.com</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**

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 has formalised the procedures to assess the suitability, objectivity, and independence of the EA, which encompasses the review and consideration of the nature and extent of non-audit services provided by the EA alongside the appropriateness of the fees paid for such services on annual basis.</p> <p>During the year, the ARMC conducted an annual assessment on the suitability and independence of the EA based on the following considerations:-</p> <ul style="list-style-type: none"> <li>(a) the quality of audit procedures and work provided;</li> <li>(b) the adequacy of experience, technical support and resources of the audit team;</li> <li>(c) the safeguard measures in place to ensure the independence and objectivity of the EA;</li> <li>(d) the internal communication quality of EA with the ARMC and/or the Board;</li> <li>(e) the compliance of the audit firms and partners with the regulatory requirements; and</li> <li>(f) any other criteria deemed fit by the ARMC and/or the Board.</li> </ul> <p>In reviewing the audit and non-audit services provided by the EA, the ARMC ensures that the independence and objectivity of the EA are not compromised. The EA also rotates their engaging partner in charge of the financial statement audit of the Group once every seven (7) years to maintain their independence from the Group.</p> <p>Grant Thornton have provided their independent declaration to the ARMC and the Board before and after the finalisation of the Group's statutory audit, confirming their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements.</p> <p>The ARMC had also met with the EA without the presence of any ED and Management once during the ARMC meeting held on 27 May 2024, for the financial year ended 31 March 2025.</p>

	The ARMC, having assessed the independence of the EA as well as reviewed the level of non-audit services rendered by them, was satisfied with their performance, technical competency, suitability and independence. The ARMC has recommended the re-appointment of Messrs. Grant Thornton as the EA of the Company and the Group for the financial year 31 March 2025 to the Board for its recommendation for the shareholders' approval at the 25 <sup>th</sup> AGM of the Company.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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>	:	<p>The current ARMC comprise solely three (3) Independent Directors as named below:</p> <p>(a) Chairman – Mr. Kong June Hon (b) Member – Datuk Sham Shamrat Sen Gupta (c) Member – Datin Ong Poh Lin Abdullah</p>

**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>Collectively, the members of the ARMC members have the relevant experience and expertise in finance and accounting and are financially literate. They are able to understand matters under the purview of the AC, including the financial reporting process and have carried out their duties in accordance with the Terms of Reference of the ARMC. The qualification and experience of each individual ARMC members are disclosed in the Directors' Profile on pages 20 to 22 of the Annual Report 2025.</p> <p>The ARMC as a whole possess a wide range of necessary skills to discharge its duties whereby its members are financially literate and have sufficient understanding of the Company's business. The members are able to continuously apply a critical and probing view on the Company's financial reporting process, transaction and other financial information and effectively challenge management's assertions on the Company's financials.</p> <p>The ARMC continuously seek for further professional development opportunities and had undertaken the relevant training programmes to keep themselves abreast of the relevant developments in accounting and auditing standards, statutory laws, regulations and best practices to enable them to effectively discharge their duties. Details of the seminars/conferences/training programmes attended by the respective ARMC members are available on item 1.6 – Directors' Training of the Corporate Governance Overview Statement on pages 34 to 35 of the Annual Report 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**

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

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

**Practice 10.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges its overall responsibility for maintaining the Group's sound system of internal control and risk management, and in reviewing the adequacy, integrity and effectiveness of those processes. The Board also recognises that due to the limitations that are inherent in all internal control systems, the Group's system of internal control is designed to manage the Group's risks within tolerable levels, rather than eliminate the risk of failure to achieve the Group's business objectives.</p> <p>The Group has in place an on-going process for identifying, evaluating and managing key risks that may affect the achievement of the business objectives of the Group. Towards cultivating a sustainable risk management culture, risk management principles and practices are embedded into existing key processes across different functions within the Group.</p> <p>The Board is responsible:</p> <ol style="list-style-type: none"> <li>1. To ensure that the Group has a sound framework for internal controls and risk management;</li> <li>2. To understand the principal risks of the Group's business and recognise that business decisions involve the taking of appropriate risks; and</li> <li>3. To set the risk appetite within which the Board expects Key Senior 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.</li> </ol> <p>The ARMC performs the following functions relating to internal control and risk management:</p> <ol style="list-style-type: none"> <li>1. Received, discussed and reviewed the adequacy of the scope and areas of coverage of the Internal Audit Plan and the proposed internal audit fee for the financial year 31 March 2025, to ensure comprehensive coverage over the activities of D'nonce Group and the significant risk areas identified are audited annually;</li> </ol>

	<ol style="list-style-type: none"> <li>2. Reviewed the Internal Audit Reports containing the audit findings on the areas of concern and recommendations highlighted by the Internal Auditors (“IA”) to improve on the identified weaknesses in the system of internal control or non-compliance issues and the respective Management responses thereto;</li> <li>3. Monitored the progress of the implementation of the corrective actions by Management on outstanding issues through follow-up reports on a quarterly basis until they are satisfied that all key risks and control weaknesses identified had been adequately addressed;</li> <li>4. Met with the IA once in the absence of Management to discuss on any significant audit findings; and</li> <li>5. Reviewed and discussed the effectiveness of the Group’s risk management and internal control system.</li> </ol> <p>The ED have provided assurance to the Board that to the best of their knowledge and believe, the Group’s risk management and internal control system has been operating adequately and effectively in all material aspects, to meet the Group’s objectives during the financial period under review.</p> <p>The information and further details on the Group’s risk management framework and internal audit function are disclosed under the Statement on Risk Management and Internal Control on pages 26 to 29 of the Annual Report 2025.</p>
<b>Explanation for departure</b>	:
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b>	:
<b>Timeframe</b>	:

**Intended Outcome**

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

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

**Practice 10.2**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board engages the service of an independent professional internal audit firm, Messrs. Kloo Point Risk Management Services Sdn. Bhd. ("Kloo Point"). The outsourced IA of the Company are entrusted to review a wide range of areas pertaining to the business and operation of the Group, so as to identify any weaknesses in internal controls.</p> <p>The IA are appointed to assist the ARMC and the Board in providing independent assessment on the adequacy, efficiency and effectiveness of the Group's governance, risk management and internal control processes.</p> <p>The ARMC reviews internal control issues identified by the IA and Management. In the process, the ARMC also evaluates the adequacy and effectiveness of the Group's risk management and internal control system. The Group is progressively developing and enhancing its group operating policies and procedures to address the changing environment of its business operations and practices.</p> <p>The details of the Group's risk management and internal control framework are elaborated in the Statement on Risk Management and Internal Control on pages 26 to 29 of the Annual Report 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**

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

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

**Practice 10.3 - Step Up**

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

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

**Intended Outcome**

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

**Practice 11.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group has outsourced its internal audit function to an independent professional internal audit firm, Kloo Point, which is independent from the Group's operation, to assist the Board and the ARMC in conducting independent assessment and systematic reviews on the Group's internal control system and governance practices, so as to provide reasonable assurance on the adequacy, integrity and effectiveness of the Group's overall system of internal controls, risk management and governance.</p> <p>Functionally, the IA report directly to the ARMC to ensure their independence. The ARMC has reviewed and approved the annual audit plan and scope of work of the IA to ensure that the audit direction is appropriate and remains relevant. Private session with the IA will be held without the presence of Management by the ARMC if needed, to allow the IA to exchange their views freely with the ARMC.</p> <p>The IA conduct reviews in accordance with the internal audit plan and scope approved by the ARMC. They also carry out follow-up audits to ensure all audit findings and remedial actions recommended in the internal audit reports have been properly addressed.</p> <p>The ARMC has performed a thorough assessment of the appointed IA and ensure that the internal audit function is effective and able to function independently.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 11.2

The board should disclose—

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group's independent internal audit function is outsourced to Kloo Point. The external internal audit firm and its consultants are free from any relationships or conflicts of interest, which could impair their objectivity and independence.</p> <p>Mr. Khor Ben Jin leads the Group Internal Audit function in his capacity as the Chief Audit Executive ("CAE") and also serves as the Executive Director of Kloo Point. Each internal audit engagement is led by a senior staff member and supported by a team of two (2) Internal Audit Executives. The CAE reports directly to the Chairman of the ARMC on audit-related matters and to Key Senior Management on administrative matters.</p> <p>Mr. Khor is a Fellow of the Association of Chartered Certified Accountants, UK, a Certified Internal Auditor, USA, as well as a member of the Malaysian Institute of Accountants. He has more than 18 years of experience in providing internal audit consulting services, enterprise risk services and corporate governance reviews addressing issues relating to governance, risk and controls compliance in highly regulated environments. In addition, he has been trained in internal audit methodologies which enabled him to identify risks and establish internal control process and system which covers the roles and functions and scope of work to assist the ARMC and the Board to oversee the internal audit function of the Group.</p> <p>The internal audit function has adopted the International Professional Practices Framework set by the Institute of Internal Auditors ("IIA") and ensures that staff are professionally guided and trained to develop the appropriate competencies to perform their duties during the internal audit review.</p> <p>The ARMC has reviewed the internal audit function undertaken by Kloo Point and is satisfied that they have carried out their duties in accordance with the recognised framework.</p>
<b>Explanation for departure</b>	:	

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<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 Company recognises the importance of timely and thorough dissemination of information on all material business and corporate developments to shareholders and investors.</p> <p>In order to promote effective communication with the Company's stakeholders, material developments, information and financial results of the Group and the Company are made available through timely announcements and disclosure to Bursa Securities, publication on the Company's webpage, press releases, circulars and Annual Reports, in line with the disclosure requirements of MMLR of Bursa Securities.</p> <p>The AGM is the principal forum for dialogue and interaction with the shareholders of the Company. The Board encourages shareholders' active participation at the Company's AGM and endeavours to ensure all Board Members, Senior Management and the Group's EA are in attendance to respond to shareholders' enquiries. At the AGM, the shareholders are given the opportunity to present their views or to seek more information from Board Members and/or Senior Management. The announcement of the outcome of meeting pertaining to the resolutions tabled and passed at the AGM would be released to Bursa Securities on the same day.</p> <p>To augment the process of disclosure, the Board has established a dedicated Investor Relations section on the Company's website at <a href="http://www.dnonce.com">http://www.dnonce.com</a> that provide access to corporate governance related information, such as the Company's announcements made to Bursa Securities, financial results and the Company's Annual Report. Shareholders are encouraged to access the Company's website as well as Bursa Securities' website at <a href="http://www.bursamalaysia.com">www.bursamalaysia.com</a> to obtain the latest information of the Company. Continuous improvement and development of the website will be undertaken by the Company to ensure easy and convenient access.</p>
<b>Explanation for departure</b>	:	



*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

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

**Intended Outcome**

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

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

**Practice 12.2**

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

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

**Intended Outcome**

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

**Practice 13.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Notice of the 24<sup>th</sup> AGM of the Company was issued to the shareholders and published on a nationally circulated newspaper on 31 July 2024, i.e. at least 28 days prior to the 24<sup>th</sup> AGM, which was held on 12 September 2024. This also complies with the 21 days' notice requirement under the Companies Act 2016. This is to ensure that shareholders were given sufficient time to read and consider the resolutions to be resolved.</p> <p>In addition to the explanatory notes to the ordinary and special business as stated in the Notice of the 24<sup>th</sup> AGM, the Company also included explanatory notes to the shareholders regarding their entitlement to attend the AGM and their rights to appoint a proxy, facilitating shareholders' understanding of the proposed resolutions and their effects as well as enabling shareholders to make informed decisions in exercising their voting rights.</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 13.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Company had conducted its 24 <sup>th</sup> AGM on a virtual basis via remote participation and voting online meeting platform.  All Directors of the Company at that time being attended the meeting to respond to any questions raised by the shareholders.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 13.3**

Listed companies should leverage technology to facilitate—

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board views General Meetings as an important platform to have direct interaction with shareholders. Shareholders are encouraged to raise questions pertaining to the Annual report, financial statements, corporate developments, resolutions and businesses of the Group.</p> <p>All Directors, Senior Management and EA attended the last AGM held on 12 September 2024. The 24<sup>th</sup> AGM was conducted on a virtual basis, to facilitate the shareholders to participate at the meeting remotely and the voting of all the resolutions table at the 24<sup>th</sup> AGM was carried out electronically (e-voting). The shareholders are still entitled to appoint proxy/proxies to vote on their behalf in their absence at the virtual AGM. The entire 24<sup>th</sup> AGM proceedings held through remote participation and voting facilities via online meeting platform operated by InsHub Sdn. Bhd.</p> <p>The Administrative Details of the 24<sup>th</sup> AGM as well as the user guide with detailed registration and voting procedures were shared with the shareholders.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 13.4**

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

*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.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company's AGM provides a direct channel of communication with shareholders.</p> <p>At the AGM, the shareholders are encouraged to participate in the questions and answers session thereat. They will be allowed to raise questions or seek more information from the Directors or Senior Management team on the proposed resolutions during the meeting. The Board or the Senior Management will endeavour to answer as many questions as possible, if any, raised by the shareholders with concise responses.</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.

*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.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has leveraged information technology in conducting its 24<sup>th</sup> AGM on a virtual basis, to encourage and facilitate the shareholders to participate at the 24<sup>th</sup> AGM remotely and the voting of all the resolutions table at the 24<sup>th</sup> AGM was carried out electronically (e-voting). Shareholders are also allowed to pose questions to the Board or the Senior Management during the questions and answers session thereat.</p> <p>Besides ensuring the security of the system in protecting data privacy and preventing cyber threats, the virtual meeting host also provided the required infrastructure and tools to support the broadcast of the meeting.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Board had made available minutes of the general meetings on the Company's website at <a href="http://www.dnounce.com">http://www.dnounce.com</a> within thirty (30) business days after the meetings for shareholders.
<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 TO CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

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

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