

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0391
COMPANY NAME : Ambest Group Berhad
FINANCIAL YEAR : December 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 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	:	<p>The Board is responsible for formulating and reviewing the strategic plans and key policies of the Company, and charting the course of the Group’s business operations whilst providing effective oversight of Management’s performance, risk assessment and controls over business operations.</p> <p>The Board delegates and confers some of its authorities and discretion on the Chairman, Executive Director, and Management as well as on properly constituted Board Committees comprising solely Independent Non-Executive Directors as at Financial Year Ended 31 December 2025 (“FYE 2025”). The role of Management is to support the Executive Director and implement the running of the general operations and financial business of the Group, in accordance with the delegated authority of the Board.</p> <p>Notwithstanding the delegation of specific powers, the Board retains full responsibility for the direction and control of the Company and the Group.</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

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	:	<p>The Chairman of the Board is Tan Sri Dato' Samshuri Bin Arshad, who holds an Independent Non Executive position. He is responsible for leading the Board to ensure its effectiveness and integrity and the entrenchment of good corporate governance practices within the Group.</p> <p>In adherence to MCCG guidelines, the Chairman of the Board does not sit on any Board Committees ensuring the maintenance of checks and balances as well as the preservation of objectivity.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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	:	There is clear division of responsibilities between the Chairman of the Board and the MD. This division of responsibilities between the Chairman and the MD ensures an appropriate balance of roles and responsibilities and accountability. The MD leads the management to ensure its smooth and effective functioning.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application :	Applied
Explanation on application of the practice :	The Chairman of the Board is not a member of the Audit Committee, Nominating Committee and/or Risk Management Committee, further ensuring objective review and avoid conflict of interest within the governance structure.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
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	:	<p>The Company Secretary play an advisory role to the Board in relation to the Company's constitution, Board's policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations. The Company Secretary support the Board by ensuring that all Board meetings are properly conducted and deliberations at the Board and Board Committee meetings are well captured and recorded. The Company Secretary also keep the Board updated on changes in the Bursa Malaysia Securities Berhad ("Bursa Securities") LR and directives issued by the regulatory authorities, and the resultant implications to the Company and the Directors in relation to their duties and responsibilities.</p> <p>The Directors have individual and independent access to the advice and dedicated support services of the Company Secretary in ensuring the effective functioning of the Board.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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	:	<p>The Company Secretary is competent, qualified and capable of providing the needful support to the Board in discharging its fiduciary duties.</p> <p>The Company Secretary, or her assistants, are present at all meetings to record deliberation, issues discussed and conclusions in discharging their duties and responsibilities and also provide advice in relation to relevant guides and legislations. Other roles of the Company Secretary included coordinating the preparation of Board papers with Management, ensure Board procedures and applicable rules are observed and maintaining records of the Board as well as provide timely dissemination of information relevant to the Directors' roles and functions and keeping them updated on evolving regulatory requirements.</p> <p>All directors, whether as a Board or in their individual capacity are entitled to request and receive additional information/advice as they consider necessary and reasonable to enable them to make informed and independent decisions, including but not limited to obtaining:</p> <ul style="list-style-type: none"> (i) full and unrestricted access to any information pertaining to the Group; (ii) full and unrestricted access to the advice and services of the Company Secretary and Management; and (iii) professional independent advice, at the Company's expense.
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
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 made available its Board Charter on the corporate website. The document clearly sets out the roles and responsibilities of the Board and Board Committees and the processes and procedures for convening their meetings. It serves as a reference and primary induction literature providing prospective and existing Board members and Management insights into the fiduciary and leadership functions of the Directors of the Company. The Board reviews its charter regularly, to keep it up to date with changes in regulations and best practices and ensure its effectiveness and relevance to the Board's objectives. The Board reviewed its Charter on 20 June 2025 and the Board Charter is available at https://ambestgroup.com.my/ .	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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 core values of Quality, Branding, Social Obligations, Shareholders and Human Resource as observed by everyone from Directors down to employees and are integral in driving the Group's direction and sustainability. The Work Ethics of the Group and the Employee Handbook are available and serve as guide for the employees and Management on professional and ethical behavior to safeguard the reputation of the Group. The Collective Agreement and the Employee Handbook detailed, among others, general employment terms and conditions, compensation and benefits and discipline. There is a formalised Code of Ethics for Directors which reflects the Board's commitment to ethics and compliance with applicable laws and regulations. The Code of Ethics for Directors provides guidance to its Directors on ethical standards which the Directors shall adhere to in carrying out their fiduciary duties and responsibilities. It sets out the principles that Directors need to observe particularly in respect of conflict of interest and no improper use of assets. This is to ensure that high ethical standards are upheld, and that the interests of stakeholders are always taken into consideration. It is also a way of providing tangible evidence of their commitment to diligence, probity and fairness in exercising their duties and responsibilities to make informed decisions in the best interest of the Group.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
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	:	In line with good corporate governance practice, the Company has set out a Whistle Blower Policy which delineates whistleblowing procedures as an independent feedback avenue for the employees and stakeholders to raise genuine concern on unethical behaviour such as fraud, corruption, criminal offences and miscarriage of justice or endangerment of an individual's health and safety that is taken place to the Board. Multiple channels of reporting are set up to encourage stakeholders to report directly to the Chairman of Audit and Risk Management Committee of the Company. Reports made shall be scrutinised promptly and appropriate course of action shall be implemented accordingly.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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 is mindful to ensure sustainability is embedded in the strategic plan and operations of the Group.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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 the Group's sustainability strategies, priorities and targets as well as performance against these targets are properly communicated to its internal and external stakeholders through the Company's website and Annual Report.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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 encourage the directors and senior managers to keep abreast with sustainability issues that relevant to the Company's business and operations.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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	:	Applied	
Explanation on application of the practice	:	The Board and senior management effectiveness evaluation for FYE 2025 included an assessment on the Board’s understanding and performance relating to the sustainability matters. Every Directors had completed a set of assessment questionnaire and submitted the results to the NC for review. Thereafter, the NC reported the results of the evaluation to the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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.

<i>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.</i>	
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	:	<p>As at FYE 2025, the Board comprise of six (6) Directors which consist of four (4) Independent Directors and two (2) Executive Director. In line with this, the Board composition complies with the LR of Bursa Malaysia that requires a minimum of two (2) Directors or one-third (1/3) of the Board, whichever is higher, to be Independent Directors.</p> <p>The Board of the Company currently has majority of Independent Directors. Further, the current composition of all Board Committees, which made up of only Independent Directors affirmed the Board's commitment towards independence to provide strong check and balance in the Board's functioning.</p> <p>The Board must ensure that at least one-third (1/3) of its board members (whichever is higher) are Independent Directors. The Board is of the view that the present Independent Directors, with the breadth of professional and business background, have enabled the Board to exercise objective judgement on various issues through their sharing of impartial, independent and unbiased opinion and viewpoints.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
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	:	<p>Notwithstanding the recommendation of the MCGG, the Board is presently of the view that there is no necessity to fix a maximum tenure limit for Independent Non-Executive Directors as there are significant advantages to be gained from the long-serving Directors who possess tremendous insight and knowledge of the Company's businesses and affairs.</p> <p>During the financial year under review, the Board undertook an assessment and confirmed that all Independent Directors of the Company remain independent and are able to discharge their duties in the best interests of the Company.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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	:	As of 31 December 2025, none of the Independent Directors has exceeded the nine-year tenure limit.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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.

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
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	:	<p>The Company has in place, its procedures and criteria for identifying candidates for appointment of directors.</p> <p>All candidates for appointment are first considered by the NC, taking into account the mix of skills, competencies, experience, professionalism and other relevant qualities to manage the Company.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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	:	<p>The Company has adopted a Directors' Fit and Proper Policy to ensure that individual who possesses the right qualification, expertise, competence and integrity is appointed as Director in the Group. All candidates to be appointed and seeking for re-election as Directors in the Group, shall undergo a fit and proper review accordance with the Directors' Fit and Proper Policy. The policy is available on the Company's website.</p> <p>It is the responsibility of the NC for the overall board effectiveness evaluation process, which includes an assessment of the Board, Board Committees and individual Directors. The appraisal which was carried out through documented questionnaires that comprises quantitative and qualitative performance criteria to evaluate the performance of each member of the Board as well as each Board Committee was being circulated at the Meeting for assessment.</p> <p>The NC, upon conclusion of the exercise carried out on 26 February 2026, was satisfied that the Board and Board Committee composition had fulfilled the criteria required, possess a right blend of knowledge, experience and the appropriate mix of skills. Additionally, independent Directors were assessed to be objective in exercising their judgement.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
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 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, taking into account the mix of skills, competencies, experience, professionalism and other relevant qualities to manage the Company.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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	:	<p>The Chairman of the Nominating Committee Goh Liuh Yih who is an Independent Non-Executive Director.</p> <p>The Chairman had led the annual review of Board effectiveness and ensured that the performance of each individual Director is independently assessed and will lead the succession planning and appointment of future Board members.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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 must have at least 30% woman director and the Board currently comprised of 33% woman director.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	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.

Application	:	Applied	
Explanation on application of the practice	:	<p>At present, the Company maintains a gender diversity policy which encapsulates the objectives, principles and measures of the Group's diversity culture. The Board is supportive in upholding gender diversity within the boardroom and the Management with due consideration on merited factors, such as, skills, experience, attitude and suitability of any potential candidates.</p> <p>Hence, as part of the Company's succession planning, gender diversity objectives will constantly be observed as a key consideration by the Company even without any specific targets determined. Additionally, the Board will look into the scope and measures of the policy on a regular basis, in ensuring its on-going effectiveness and applicability.</p> <p>The Group's female staff made up 17.6% of the total staff.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: It is the responsibility of the NC for the overall board effectiveness evaluation process, which includes an assessment of the Board, Board Committees and individual Directors. The appraisal which was carried out through documented questionnaires that comprises quantitative and qualitative performance criteria to evaluate the performance of each member of the Board as well as each Board Committee was being circulated at the Meeting for assessment. The NC, upon conclusion of the exercise carried out on 26 February 2026, was satisfied that the Board and Board Committee composition had fulfilled the criteria required, possess a right blend of knowledge, experience and the appropriate mix of skills. Additionally, independent Directors were assessed to be objective in exercising their judgement.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
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	:	<p>It is vital for the Group to attract and retain Directors of the necessary caliber to run the Group successfully. The Group has established RC to develop remuneration strategies that drive performance and provide levels of reward which reflect the performance of the Executive Directors and key Management personnel.</p> <p>Procedures, such as establishing the remuneration framework of the Company, assessing and recommending the remuneration packages for Directors and Senior Management, and other relevant tasks are currently carried out by the RC prior to the necessary reporting to the Board. The RC recommends to the Board, the remuneration framework and package of the Executive Director, taking into consideration of the experience, level of responsibilities undertaken and the performance of each Executive Director. Directors' fees are recommended by the Board for approval by the shareholders of the Company at Annual General Meetings.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
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	:	<p>A remuneration policy in stipulating guidance over the administration of matters related to remuneration within the Company is in place.</p> <p>The current remuneration policy of the Group is summarised as follows:</p> <ul style="list-style-type: none">(a) provide a formal, fair and transparent approach to determine the remuneration package of the Board and Senior Management based on their respective roles and responsibilities and comparable with their peers in the industry.(b) attract, develop and retain competent, experienced and quality talents of high calibre to oversee and manage the Group's business and continuing growth.(c) provide basis to determine equitable and market-competitive remuneration packages that support the performance culture and enable the achievement of strategic business goals of the Group.(d) encourage prudent risk taking in decision making in undertaking the business activities of the Group in line with the risk appetite determined by the Board. <p>The RC has established a written TOR to encompass authorities and duties of the RC. The said TOR is published on the Company's website at https://ambestgroup.com.my/.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
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	:	Each Director's detailed remuneration for the financial year ended 31 December 2025 is disclosed in the CG Overview Statement in the Annual Report 2025.

Directors	Remuneration					Total (RM)
	Fees (RM)	Salaries (RM)	Other Allowances (RM)	Bonus (RM)	Benefit-in-kind (RM)	
Received from Company & Group Level						
Tan Beng Beng	-	540.0	-	45.0	-	585.0
Lim Eng Guan	-	540.0	-	45.0	-	585.0
Tan Sri Dato' Samshuri Bin Arshad	26.0	-	1.2	-	-	27.2
Wong Thai Sun	19.5	-	1.2	-	-	20.7
Lok Man Shung	19.5	-	1.2	-	-	20.7
Goh Lih Yih	19.5	-	1.2	-	-	20.7
Total	84.5	540.0	3.6	90.0	-	1,259.3
Received from Company Level						
Tan Beng Beng	-	-	-	-	-	-
Lim Eng Guan	-	-	-	-	-	-
Tan Sri Dato' Samshuri Bin Arshad	26.0	-	1.2	-	-	27.2
Wong Thai Sun	19.5	-	1.2	-	-	20.7
Lok Man Shung	19.5	-	1.2	-	-	20.7
Goh Lih Yih	19.5	-	1.2	-	-	20.7
Total	84.5	-	3.6	-	-	89.3

Note: The Directors' fees and benefits for the financial year ended 2025 will only be paid upon obtaining the approval of shareholders at the Annual General Meeting of the Company to be held in 2026

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.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Given the confidential and commercial sensitivities associated with remuneration matters and the highly competitive human resource environment and the importance of ensuring stability and continuity of business operations with a competent and experienced Management team in place, the Board takes the view that there is no necessity for the Group to disclose the remuneration of the Company's Senior Management personnel who are not Directors.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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 8.3 - 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 :	

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 Chairman of the AC is Mr Wong Thai Sun who is an Independent Director whereas the Chairman of the Board is Tan Sri Dato' Samshuri Bin Arshad. Presently, the AC is comprised solely of Independent Directors.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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	:	As at to-date, the Company has not appointed any former audit partner as a member of the AC Nevertheless, the Board has updated within the AC Terms of Reference to stipulate that no former key audit partner shall be appointed as a member of the AC unless he/she has observed a cooling-off period of at least three (3) years before the appointment.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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 AC has formalised a policy which stipulates the procedures to assess the suitability, objectivity, and independence of external auditors which encompasses consideration of the nature and extent of non-audit services provided external auditors alongside the appropriateness of the level of fees.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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	:	Although not required to observe this Step-Up, the AC comprised solely of Independent Directors as the Board observes and values the independence of the AC.

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 AC currently comprised of members with necessary financial, legal, commercial expertise and capital markets skills and experience required to meet their responsibilities and provide an effective level of challenge to the Management. On an ongoing basis, the AC members will participate in training and development sessions in order to ensure that they are updated with the latest developments in accounting and auditing standards, guidelines and practices.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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	:	<p>In order to be effective in discharging these responsibilities, the Board is assisted by the ARMC which functions as an oversight body to review controls and systems in general and to carry out on-going assessment over the adequacy and effectiveness of the risk management and internal control practices within the organisation.</p> <p>In addition to the abovementioned, the Board is supported by the Management in developing, implementing and monitoring practices for identifying and managing risks. This is added with the role of the Management to provide assurance that the necessary control practices are adhered and carried out accordingly based on stipulated policies and framework.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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	:	<p>During the year, an assurance is provided by the Executive Director that the Group's risk management and internal controls have been operating adequately and effectively, in all material aspects, during the year under review and up to the date of this Statement to the Board. Taking into consideration this assurance during the Board's assessment of the Group's risk management and internal control, the Board is of the view that the systems of internal control and the risk management is considered adequate for the Group's business operations.</p> <p>The key elements and overall state of the internal control and risk management framework of the Group have been disclosed accordingly within the Annual Report.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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 Risk Management Committee consists of three Independent Non-Executive Director

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>As disclosed within the TOR of the AC, one of the primary responsibilities of the AC is to administer the review and assessment of the Company's internal audit function.</p> <p>The internal audit function is currently outsourced to an external professional firm/ service provider who reports directly to the AC by providing independent and objective reports on the state of internal control of the various operations within the Group and the extent of compliance on established policies and procedures.</p> <p>On an annual basis, the AC carries out an assessment on the performance of the outsourced internal audit function and reports such assessment to the Board.</p> <p>Details of the internal audit function and activities relevant to the discharge of the AC's responsibilities are set out in the Statement on Risk Management and Internal Control and the Audit Committee Report of the Company's Annual Report 2025.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
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	:	<p>The internal audit function is independent of the operations of the Group and is outsourced to Sterling Business Alignment Consulting Sdn Bhd, a competent consulting firm which is sufficiently resourced to provide the services that meet with the Group’s required service level. The service provider has been able to provide reasonable assurance that the Group’s system of internal control and risk management is satisfactory and operating effectively.</p> <p>The internal auditors adopt a risk-based approach towards the planning and conduct of their audits, and this is consistent with the Group’s approach in designing, implementing and monitoring its internal control system. The internal audit is carried out in accordance with the International Professional Practices framework issued by the Institute of Internal Auditors Inc.</p> <p>The activities of the internal auditors during the financial year are set out in the AC Report in this Annual Report 2025.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
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	:	<p>The Board believes that effective communication fosters better understanding of the Group's objectives and financial performance. In order to promote effective communication with the Company's stakeholders, information/results are made available through timely announcements and disclosure, executed via the Bursa Securities website, the Company's webpage, press releases and annual reports in line with the disclosure requirements of LR.</p> <p>In addition, the Company emphasises on providing a principal platform for dialogue and interactions with stakeholders, i.e. primarily its shareholders, through its Annual General Meeting. The Annual General Meeting serves as a principal forum for dialogues with individual shareholders as it provides shareholders the opportunity to ask questions about the proposed resolutions or about the Company's operations in general.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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 notice to the upcoming AGM in 2026 will be provided with more than twenty-eight (28) days in advance to enable stockholders to make adequate preparation.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>All Directors are expected to attend, ensuring meaningful engagement with shareholders during the proceedings.</p> <p>Upon conclusion of the AGM, the Board will ensure that the minutes of the meeting, including responses to questions, are published on the Company's website within thirty (30) business days for shareholders' reference. As the Company was listed on 06 February 2026, the forthcoming AGM will mark its first AGM as a public listed company. Barring unforeseen circumstances, all Directors will be present to facilitate open discussion and address shareholders' queries directly.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company will convene its 1ST AGM at a hotel. The hotel is easily accessible to all shareholders.</p> <p>Shareholders are entitled to appoint representatives or proxy/proxies/Chairman to vote on their behalf in their absence at the general meetings.</p> <p>Announcement of the detailed results of the poll voting had been made to the public via Bursa Malaysia Securities Berhad on the same day for the benefit of all shareholders.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application :	Applied
Explanation on application of the practice :	<p>The date of AGM is scheduled and approved in advance, to ensure that all Directors are able to commit attend to the meeting. All the Directors attended the 1ST AGM held on 25 May 2026 to engage directly with the Shareholders and to be accountable for their stewardship of the Company.</p> <p>In addition, the Management representatives and external auditor also attended the AGM, they were aware of their scope of responsibilities and come prepared to address any issues that the Shareholders may raise within their scope in order to give meaningful responses to the Shareholders’ queries.</p> <p>The Chairman has ensured that the shareholders and proxies of the Company are given sufficient opportunity to participate and pose questions during the AGM of the Company.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
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	:	Applied	
Explanation on application of the practice	:	The Management had tried to respond to all questions posed before and during 2026 AGM.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
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.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The minutes of 2026 AGM (including the questions raised at the meeting and the answers thereto) were also made available on the Company's website at https://ambestgroup.com.my/ .
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

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

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