

CORPORATE GOVERNANCE STATEMENT

The Board of Directors (the "**Board**") of Riverstone Holdings Limited (the "**Company**") recognises that sound corporate governance practices are important to the proper functioning of the Company and its subsidiaries (the "**Group**") and to the enhancement of shareholders' value. The Board confirms that the Group has generally adhered to the principles and provisions as set out in the Code of Corporate Governance 2018 (the "**2018 Code**"), and where applicable, the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the financial year ended 31 December 2023 ("**FY2023**"). Where there is any deviation from any provisions of the Code, an explanation has been provided in this report for the variation and how the practices adopted by the Group are consistent with the intent of the relevant principle. This report should be read in totality, instead of being read separately under each principle of the Code.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1:1 The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Provision 1.1 – Principal functions of the Board

The Company is led by the Board who is responsible for the long-term success of the Company by setting the Group's strategy, financial objectives and risk appetite and provide leadership to the business. The Directors promote the desired culture, value and ethics within the Company and monitor the Company's overall financial performance.

The Board works closely with the Management to steer the Company towards its vision and create value for stakeholders. All Directors are fiduciaries who objectively make decisions at all times as fiduciaries in the best interests of the Company and hold Management accountable for performance and governance. Directors monitor the Management through various mechanisms in the form of policies established to address risk management and internal controls, promote organisational culture, conduct and ethics with appropriate tone-from-the-top through conversations in each of the meetings attended by key management personnel and Directors.

The primary function of the Board is to protect and enhance long-term shareholders' value and return. In addition to its the statutory responsibilities, the principal duties and roles of the Board include:

- (a) guide formulation of the Group's overall long-term strategic objectives and directions. This include provide entrepreneurial leadership and set the strategic objectives, which should include appropriate focus on value creation, innovation and sustainability;
- (b) ensure that the necessary resources are in place for the company to meet its strategic objectives;
- (c) establish and maintain risk management system to effectively identify, monitor and manage the key potential risks, and to achieve an appropriate balance between risks and company performance, including safeguarding of shareholder's interests and the Company's assets;
- (d) conduct periodic review of the Group's internal controls, financial performance, compliance practices and resource allocation;

CORPORATE GOVERNANCE STATEMENT

- (e) provide oversight in the proper conduct of the Group's business and assume responsibility for corporate governance;
- (f) ensure the management discharges business leadership and management skills with the highest level of integrity;
- (g) consider sustainability issues relating to the environment and social factors as part of the strategic formulation of the Group;
- (h) to set the Company's values and standards and to provide guidance to Management to ensure that the Company's obligations to its shareholders and the public are met; and
- (i) ensure transparency and accountability to key stakeholder groups.

All Directors exercise due diligence and independent judgement in discharging their duties and responsibilities at all times as fiduciaries and act objectively in the best interests of the Company. Should any issues of conflict arise, Directors facing conflicts of interest are required to disclose their interest and recuse themselves from the discussions and decisions involving the issues of conflict.

All Directors have objectively discharged their duties and responsibilities at all times as fiduciaries in the interests of the Company for the financial year ended 31 December 2023.

The Independent Directors visited the Group's facilities in April 2023 and gained better understanding of the Group operations whilst meeting up and getting acquainted with the senior management at the facilities.

Provision 1.2 – Directors' orientation and training

The Company will provide a formal letter of appointment to newly appointed Independent Non-Executive Director, setting out the Director's duties and obligations and terms of appointment whereas Executive Directors has Service Agreements or Employment Contract, where applicable.

Newly appointed Directors, if any, will be provided with orientation programme and briefed on the background information about the Group, Group's structure, business operations, vision and values, strategic plans, policies and governance practices. Further, at the quarterly Board meetings, the Chief Executive Officer ("**CEO**") would provide the Board with regular updates on the Group's business performance and plans. Where the Company appoints a new director who does not have any prior experience as a director of a listed company, the new appointee would be required to attend the Listed Company Director Programme conducted by the Singapore Institute of Directors ("**SID**"). Directors appointed in 2021 without prior experience as director of a listed company, had completed the Listed Company Director Programme by SID.

Except for the appointment of two alternate Directors, there was no new Directors appointed during FY2023.

In order to keep the Directors abreast of new laws, regulations, changing commercial risks and accounting standards, all Directors is updated on any amendments and requirements of the SGX-ST and other statutory changes to regulatory requirements and the Directors' obligations to the Company, from time to time, or during the Board meetings by the Management and professionals.

Directors are encouraged to attend programmes organised by the Accounting and Corporate Regulatory Authority and the SID. All Directors who had completed the course on sustainability matters organised by the SID as required under Rule 720 of the Listing Manual of the SGX-ST ("**Listing Manual**") are able to equip themselves with basic knowledge on sustainability matters.

CORPORATE GOVERNANCE STATEMENT

Provision 1.3 – Matters requiring Board's approval

The Board has a matrix of approval which sets out the approval, limits of the Management and matters that specifically require Board's guidance. The Board's approval is required for matters include, but are not limited to corporate restructuring, mergers and acquisitions, major investments and divestments, material acquisitions and disposals of assets, major corporate policies on key areas of operations, acceptances of bank facilities, annual budget, proposal of dividends, approval of Statement by Directors and audited financial statements, the release of the Group's quarterly and full year's financial results, interested person transaction of a material nature and other significant corporate actions. The Board communicates matrix of approval with the Management, and it is updated as the business grows.

Provision 1.4 – Delegation by the Board

The Board has delegated specific authority to the three Board committees, namely the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**"). All Board Committees are chaired by an Independent Director and a majority of the members are Independent Directors. Each of the Committees has written terms of reference with authority to examine particular issues and report to the Board with their recommendations. The responsibilities and authority of the Committees set out in their respective terms of reference are in line with the 2018 Code. The effectiveness of each Board Committee is constantly reviewed by the Board. The ultimate responsibility for final decision on all matters lies with the Board.

As at the date of this report, the Board comprises two Executive Directors and three Non-Executive Directors. All of the Non-Executive Directors are independent.

During FY2023, two alternate directors were appointed to the two Executive Directors as part of the leadership refresh and succession planning.

Provision 1.5 – Board meetings, attendance and multiple commitments

The Company releases quarterly reporting of financial results on voluntary basis to provide investors with financial results information about the Company or the Group in a timely manner. The Board conducts scheduled meetings on a quarterly basis and additional Board meetings will be convened as and when they are deemed necessary to address any significant issues that may arise in between the scheduled meetings. Minutes of all Board Committee and Board meetings are circulated to members for review and confirmation. These minutes could also enable Directors to be kept abreast of matters discussed at such meetings. The Company's Constitution provides for Board and Board Committees' meetings to be conducted by way of electronic means. Where appropriate, Directors made decisions by passing resolutions in writing as if it had been passed at the Board meeting.

CORPORATE GOVERNANCE STATEMENT

The attendance of the Directors at meetings of the Board and Board committees, as well as the general meetings held in 2023 are append below:

Attendance at Meetings

Name of Director	Board		AC		RC		NC	
	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended
Wong Teek Son	4	4					2	2
Lee Wai Keong	4	4						
Lim Jun Xiong Steven	4	4	4	4	2	2	2	2
Raymond Fam Chye Soon	4	4	4	4	2	2		
Yoong Kah Yin	4	4	4	4	2	2	2	2
Sabariah Binti Salleh ⁽¹⁾	2	2	–	–	–	–	–	–
Chong Chu Mee ⁽²⁾	2	2	–	–	–	–	–	–

Notes:

- (1) Puan Sabariah Binti Salleh was appointed as Alternate Director of Mr Wong Teek Son on 15 May 2023. She attended the meeting by invitation.
- (2) Ms Chong Chu Mee was appointed as Alternate Director of Mr Lee Wai Keong on 15 May 2023. She attended the meeting by invitation.

The Board is satisfied that the Directors have devoted sufficient time and attention to the affairs of the Company. Directors attended all meetings held during the year. A calendar of meetings is scheduled for the Board at the beginning of the year. Although some of the Directors have multiple board representations, the Board is of the view that they widen the experience of the Board and give it a broader perspective. Details of the other principal commitments of the Directors are set out in the Board of Directors section of this Annual Report.

Provision 1.6 – Access to information

The Directors are updated on the major events of the Group by the Management. The Directors are briefed on the strategic plans and objectives from time to time as well as receive complete and regular supply of information from the Management about the Group's financial and operational performance, apprised of the operations in order to fully participate in Board meetings. The Directors also briefed on the execution and implementation of the Company's operations including expansion plans. Updates on the budget and variances between projections and actual results were disclosed and explained to the Board.

Detailed board papers and related materials will be prepared for each meeting of the Board. The Board papers include sufficient information and background relating to business environment, industry, financial, business and corporate issues to enable the Directors to be properly briefed on issues to be considered at Board meetings. The Directors are given board papers in advance of meetings for them to be adequately prepared for the meeting and key management personnel (who are not executive directors) are in attendance at Board and Board Committee meetings, whenever necessary. This enables the Board to make informed assessments of the Company's performance and prospects.

CORPORATE GOVERNANCE STATEMENT

Provision 1.7 – Access to Management, Company Secretary and External Advisers

All Directors have unrestricted access to the Group's records and information to enable them to carry out their duties. Directors also liaise with key management personnel as and when required. In addition, Directors have separate and independent access to the Company Secretary. The Company Secretary's responsibilities are to administer, attend and prepare minutes of Board and Board Committee meetings, advising the Board on all governance matters and assists the Chairman in ensuring Board procedures are followed and reviewed so that the Board functions effectively, the relevant rules and regulations, including requirements of the Companies Act 1967 (the "**Companies Act**") and the Listing Manual are complied with, and provides the Board with regular updates of the latest governance and listing policies. The appointment and the removal of the Company Secretary are decisions taken by the Board as a whole. Where the Directors, either individually or as a group, in the furtherance of their duties require professional advice, if necessary, the cost of such professional advice will be borne by the Company.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Provision 2.1 – Board Independence

Provision 2.2 – Majority Independent Directors where Chairman is not independent

Provision 2.3 – Majority Non-Executive Directors in a Board

The Board comprises five directors with three are Non-Executive and Independent Directors (excluding alternate directors) as at the date of this report. There is strong and independent element on the Board with Independent and Non-Executive Directors make up a majority of the Board. The Independent Directors are Mr Lim Jun Xiong Steven, Mr Raymond Fam Chye Soon and Mr Yoong Kah Yin. Independent Directors made up at least one-third of the Board in compliance with Rule 210(5)(c) of the Listing Manual.

The criteria of independence are determined based on the definition as provided in the Listing Manual and the 2018 Code. The Board considers an "independent" director is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement with a view to the best interests of the Company and Group. The NC considers the following while reviewing the independence of Directors:

1. Whether a director, or a director whose immediate family member, in the current or immediate past financial year, provided to or received from the company or any of its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services), other than compensation for board service.
2. Whether a director, or a director whose immediate family member, in the current or immediate past financial year, is or was, a substantial shareholder or a partner in (with 5% or more stake), or an executive officer of, or a director of, any organisation which provided to or received from the company or any of its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services).
3. Whether they constitute a significant portion of the revenue of the organisation in question.

CORPORATE GOVERNANCE STATEMENT

4. Whether a director who is or has been directly associated with a substantial shareholder of the company, in the current or immediate past financial year.

The Board also reviewed independence of Directors annually based on Rule 210(5)(d) of the Listing Manual which sets out the specific circumstances in which a director should be deemed non-independent. These circumstances include:

- (a) a director who is being employed by the Company or any of its related corporations for the current or any of the past three financial years;
- (b) a director who has an immediate family member who is, or has been in any of the past three financial years, employed by the company or any of its related corporations and whose remuneration is determined by the RC; or
- (c) if he has been a director for an aggregate period of more than nine years (whether before or after listing) which such director may continue to be considered independent until the conclusion of the next Annual General Meeting ("**AGM**") for the financial year ending 31 December 2023 (effective 11 January 2023).

The NC reviewed the declaration of independence of each director and was satisfied that all Independent Directors were considered independent for the purpose of Provision 2.1 of the 2018 Code and Rule 210(5)(d) of the Listing Manual. The Independent Directors do not have any relationship with the Company, related corporations, its substantial shareholders or officers. The Independent Directors are not employees of any company within the Group and they bring diverse experience to the Company's decision-making process. Apart from receiving Director's fees, they do not have any other material pecuniary relationship or transactions with companies within the Group or the management, which in the judgement of the Board may affect their independence of judgement.

With three of the Directors deemed to be independent, the Board is able to exercise independent judgment on corporate affairs and provide Management with a diverse and objective perspective on issues. The Board is able to interact and work with the Management team through robust exchange of ideas and views to help shape the Group's strategic direction. No individual or small group of individuals dominate the Board's decision-making process. The Board recognises the important contribution of Independent Non-Executive Directors. Independent Non-Executive Directors constructively challenge and help develop proposals on strategy by providing a different perspective or wider view of external factors affecting the Company and its business environment. Independent Non-Executive Directors monitor and review the performance of Management and meet without Management present when required. The Lead Independent Director provides feedback to the Chairman after each such meeting.

Provision 2.4 – Board composition and diversity

The Board comprises five (5) Directors as follow:

Wong Teek Son – Executive Chairman and Chief Executive Officer
Lee Wai Keong – Chief Operating Officer and Executive Director
Lim Jun Xiong Steven – Lead Independent Non-Executive Director
Raymond Fam Chye Soon – Independent Non-Executive Director
Yoong Kah Yin – Independent Non-Executive Director

CORPORATE GOVERNANCE STATEMENT

Alternate Directors:

Puan Sabariah Binti Salleh – Alternate Director of Mr Wong Teek Son

Ms Chong Chu Mee – Alternate Director of Mr Lee Wai Keong

The Board is of the view that the current size of the Board is appropriate for effective decision making taking into account the scope and the nature of the operations of the Company and as a group provides valuable perspectives and knowledge of the Company. The Board, with the review by NC, has annually examined its size and is of the view that it is an appropriate size for effective decision-making, taking into account the scope and nature of the operations of the Company.

The Board comprises businessmen and professionals with strong financial and business background, providing the necessary experience and expertise to direct and lead the Group. The Board is of the view that the current Board members comprises persons whose diverse skills, experience and attributes provide for effective direction for the Group. These include finance, banking, accounting, and tax with entrepreneurial and management experience, that includes in the manufacturing industry, and familiarity with regulatory requirements and risk management. The Board is of the view that the effective blend of skills, experiences and knowledge remains a priority so as not to compromise on capabilities without discriminating against race, religion, gender or age.

The Board has adopted a Board Diversity Policy and works towards implementing the objectives of a diverse Board to enhance its performance and work towards its long-term objectives. A diverse Board will enhance the decision-making process of the Board through perspectives derived from the various skills, industry and business experiences, gender, age, geographies, tenures of service and other distinctive qualities of the Directors.

The Company's operation is substantially located in Malaysia. Geographical diversity for Board members in the country with substantial operations allows the Board to understand and manage risks and opportunities effectively. The number of Independent Directors, whose principal country of residence in Malaysia has increased to two. In compliance with the provision of the Companies Act and as a Singapore incorporated company listed in the SGX-ST, the Company's Lead Independent Director is a Singapore Citizen.

Directors with diverse range of skills and knowledge with experiences in different industry brings depth to Board discussion which eventually forms corporate strategy for the Company. The Board comprises Directors who comes from various professions. These include accounting or finance, legal, business or management experience and engineering. Specific expertise and experience of Directors are set out in the Board of Directors section.

The Company went through Board refreshment progressively with the appointment of two female alternate directors in May 2023 as part of succession planning and refresh the Board. The diversity of gender in the Board brings fresh perspective, problem-solving abilities and inventiveness and eventually lead to work group diversity. One of the female alternate directors is a Muslim and she brings understanding of new products to meet demand of customers.

The age of newly appointed directors bridges the gap in understanding the customers' needs while their knowledge and experiences of more than 20 years in the industry are valuable to the Group. The Company reaps the benefit of diversity of gender, age and culture.

The NC reviews its targets for diversity from time to time and may recommend changes or additional targets to achieve greater diversity.

CORPORATE GOVERNANCE STATEMENT

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provision 3.1 – Separation of the role of the Chairman and the CEO

Provision 3.2 – Role of the Chairman and the CEO

Mr Wong Teek Son ("**Mr Wong**") is both the Executive Chairman and CEO of the Company. He is not an Independent Director. The Board believes that there is no need for the role of Chairman of the Board and the CEO to be separated as there is a good balance of power and authority with all critical committees chaired by the Independent Directors. Majority of the Board comprises Independent Directors who expressed their views independently at all times and involved in deliberations at the Boardroom. Independent Directors provided objective and constructive challenge to the assumptions and viewpoints presented by the Chairman. There is a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the Company's business. No one individual represents a considerable concentration of power.

As Executive Chairman, Mr Wong bears responsibility for the conduct of the Board. He is responsible for the effective working of the Board, ensuring adequate time available for discussion and encourage constructive relations within the Board and between the Board and Management. He is also responsible for promoting a culture of openness and debate at the Board as well as to ensure the Directors receive complete, adequate and timely information. Mr Wong is responsible to the Board for all corporate governance procedures to be implemented by the Group and to ensure conformance by the Management to such practices. He maintains effective communications with shareholders of the Company.

The CEO is responsible for the day-to-day management of the business in line with the long-term success of the Company. As CEO, Mr Wong formulates and proposes strategic direction for value creation of the business. The CEO together with the Executive Director, Mr Lee Wai Keong have full executive responsibilities over the business directions and operational decisions and responsible for succession planning for key management personnel.

Provision 3.3 – Lead Independent Director

Mr Lim Jun Xiong Steven is the Lead Independent Director of the Company, who will be available to shareholders who have concerns and for which contact through the normal channels of the Chairman or Management has failed to resolve or is inappropriate. The Lead Independent Director also provides leadership in situation where the Chairman or Director is conflicted.

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and reappointment of Directors, taking into account the need for progressive renewal of the Board.

Provisions 4.1 and 4.2 – Roles and composition of the NC

The terms of reference of the NC provide that the NC shall comprise at least three Directors, the majority of whom, including the NC Chairman, shall be independent, and the Lead Independent Director, shall be a member. As at the date of this report, the NC comprises two Independent Directors, Mr Yoong Kah Yin who is the Chairman of the NC and Mr Lim Jun Xiong Steven, the Lead Independent Director as well as the CEO, Mr Wong Teek Son.

CORPORATE GOVERNANCE STATEMENT

The NC is regulated by a set of written terms of reference which are in line with the 2018 Code, that describe its objectives, duties and responsibilities. The objective of the NC is to maintain an effective Board and to ensure that only competent individuals capable of contributing to the success of the Company are appointed. The NC's main functions as defined in the written terms of reference are as follows:

- (a) make recommendations to the Board on all board appointments (including alternate director, where applicable);
- (b) assess the effectiveness of the Board as a whole and the effectiveness and contribution of each Director to the Board;
- (c) determine annually whether or not a Director is independent;
- (d) recommend of re-nomination and re-election of Directors;
- (e) review of training and professional development programmes for the Board and its Directors; and
- (f) review of succession plans for Directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel.

Provision 4.3 – Board Renewal

Where new appointments are required, the NC will consider specific skills set required and recommendation for new Directors, review their qualifications and interview with such candidates before any decision is made on a selection. In view of the foregoing, the Board is of the view that there is an adequate process for the appointment of new Directors. The NC would interview with such candidates, before a decision is made on a selection. The criteria for identifying candidates and reviewing nominations for appointments shall include diversity of gender, skills and experience in the pool of candidates evaluated for new appointment to the Board.

All Directors have to submit themselves for re-nomination/re-election at regular intervals or at least once every three years in accordance with the Company's Constitution. Pursuant to Rule 720(5) of the Listing Manual, Mr Lee Wai Keong and Mr Raymond Fam Chye Soon are due for retirement by rotation at the forthcoming AGM. The NC has recommended to the Board for the re-election of Mr Lee Wai Keong and Mr Raymond Fam Chye Soon. In reviewing the nomination of director for re-election at the forthcoming AGM, the NC has considered criteria such as the Director's contribution, participation, preparedness and attendance. Mr Lee Wai Keong and Mr Raymond Fam Chye Soon respectively has consented to continue in office and the Board had accepted the recommendation of the NC and accordingly, Mr Lee Wai Keong and Mr Raymond Fam Chye Soon will be offering themselves for re-election at the forthcoming AGM.

The NC regards succession planning as an important part of corporate governance and places strong emphasis on its recommendations to the Board on relevant matters relating to succession plans for the Board, key management personnel and other senior members of Management. The Board recognised the importance of identifying potential candidate within the Company for succession planning for the CEO and key management personnel. The NC reviews succession plan annually to ensure continuity of leadership.

CORPORATE GOVERNANCE STATEMENT

Provision 4.4 – Independence review of Directors

With regard to the responsibility of determining annually, and as and when circumstances require, if a Director is independent, each NC member will not take part in determining his own re-nomination or independence. Each Director is required to submit a return of independence to the Company Secretary as to his independence, who will submit the returns to the NC. The NC shall review the returns and determine the independence of each of the Directors and recommend to the Board. Each of the Independent Director had recused themselves from the NC's and the Board's deliberations on their own independence. An Independent Director shall notify the NC immediately, if as a result of a change in circumstances, he no longer meets the criteria for independence. The NC shall review the change in circumstances and make its recommendations to the Board. During the year, the NC has reviewed (with each NC member who is an Independent Director recused himself from determining his own independence) and determined that Mr Lim Jun Xiong Steven, Mr Raymond Fam Chye Soon and Mr Yoong Kah Yin are independent having regard the circumstances set forth in the Listing Manual and 2018 Code. The Independent Directors do not have any relationship with the Company, related corporations, its substantial shareholders or officers. The Independent Directors are not employees of any company within the Group.

Provision 4.5 – Directors' time commitments and multiple Directorships

The NC ensures that all newly-appointed Directors are aware of their duties and obligations. The Board has not determined the maximum number of listed company board representation which any Director may hold. The NC and the Board is of the view that the Directors with multiple board representations, especially in listed companies, were able to and have been adequately carrying out their duties as a Director of the Company and do not hinder them from carrying out their duties as Directors. These Directors would widen the experience of the Board and give it a broader perspective. The Board, except the Independent and Non-Executive Directors with multiple directorships, has confirmed that the Independent and Non-Executive Directors have committed sufficient time, attention, resources and expertise to the affairs of the Company. The NC, together with the Board, is satisfied that the Directors have discharged their duties diligently, given that sufficient time, attention, resources and expertise has have been given by the Directors to the affairs of the Group, notwithstanding that some of the Directors have multiple board representations as well as any other principal commitments. These Directors would widen the experience of the Board and give it a broader perspective.

Summary of activities in 2023

- Reviewed structure, size and composition of the Board and Board Committees;
- Reviewed independence and time commitment of Directors;
- Reviewed and initiate process for evaluating Board, Board Committee, Chairman and individual Directors performance;
- Reviewed results of performance evaluation and feedback to the Board, Board Committees and individual Directors;
- Reviewed the need to progressive refreshing of the Board;
- Considered recommendations for new Director (including alternate director), review their qualifications and meet with such candidates, before a decision is made on a selection;
- Reviewed succession planning for Chairman, CEO and key management personnel and notified the Board;
- Reviewed Board Diversity policy; and
- Discussed information required to be reported under the 2018 Code or Listing Manual.

CORPORATE GOVERNANCE STATEMENT

Key information regarding the Directors of the Company are disclosed as follows:

Name of Directors	Date of first appointment	Date of last re-election	Nature of Appointment	Membership of Board Committee	Directorship/ chairmanship both present and those held over the preceding three years in other listed company
Wong Teek Son	3 August 2005	25 April 2022	Executive Chairman/ Chief Executive Officer	Member of Nominating Committee	None
Lee Wai Keong	3 August 2005	26 April 2021	Executive Director/ Chief Operating Officer	None	None
Lim Jun Xiong Steven	26 April 2021	24 April 2023	Independent Director	Lead Independent Director, Chairman of Audit Committee and member of Remuneration Committee and Nominating Committee	<ul style="list-style-type: none"> • Mirach Energy Limited (Resigned on 30 April 2021) • Keong Hong Holdings Limited (Resigned on 31 December 2021) • Hong Fok Corporation Limited (Resigned on 1 September 2023) • Sinarmas Land Limited • Livingstone Health Holdings Limited • Bund Center Investment Limited • Cosmosteel Holdings Ltd • Baker Technology Limited
Raymond Fam Chye Soon	3 June 2020	25 April 2022	Independent Director	Chairman of Remuneration Committee and member of Audit Committee	<ul style="list-style-type: none"> • Export-Import Bank of Malaysia Berhad • Generali Insurance Malaysia Berhad
Yoong Kah Yin	26 April 2021	24 April 2023	Independent Director	Chairman of Nominating Committee and member of Remuneration and Audit Committee	

CORPORATE GOVERNANCE STATEMENT

Details of other principal commitments of the Directors are set out in the Directors' Profile of this Annual Report.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual Directors.

Provisions 5.1 and 5.2 – Board Evaluation Process

The Board performance is ultimately reflected in the performance of the Group. The Board should ensure compliance with the applicable laws and the Board members should act in good faith, with due diligence and care in the best interests of the Company and its shareholders. An effective Board is able to lend support to management at all times and to steer the Group in the right direction.

More importantly, the Board, through the NC, has used its best effort to ensure that Directors appointed to the Board whether individually or collectively possess the background, experience, relevant sector knowledge, competencies in finance and management skills critical to the Group's business. It has also ensured that each Director, with his special contributions, brings to the Board an independent and objective perspective to enable sound, balanced and well-considered decisions to be made.

The Board has a formal process for evaluating and assessing the effectiveness and performance of the Board as a whole and its Board Committees with objective performance criteria and contribution of by the Chairman and each individual director to the effectiveness of the Board. The performance criteria remained the same as last year. The Chairman, in consultation with the NC, may where appropriate propose new members to be appointed to the Board or seek the resignation of Directors. The Board assessment takes into consideration both qualitative and quantitative criteria, such as return on equity, success of the strategic and long-term objectives set by the Board and the effectiveness of the Board in monitoring the Management's performance against the goals that had been set by the Board. The results of the assessment were collated by the Company Secretary and presented to the NC with comparatives from the previous year's results (where applicable). The evaluation exercise provided feedback from each Director, his views on the Board process and procedures as well as the effectiveness of the Board as a whole. All feedback and comments received from Directors are reviewed by the NC, in consultation with the Chairman of the NC and Board. There was no change in the process for the assessment of the performance of the Board as a whole and its Board Committees with objective performance criteria and contribution of by the Chairman and each individual director to the effectiveness of the Board.

Based on the NC's review, the Board and the various Board Committees operate effectively and each Director continues to contribute to the overall effectiveness of the Board.

External consultants were not engaged in the annual assessment.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. No Director is involved in deciding his or her own remuneration.

CORPORATE GOVERNANCE STATEMENT

Provisions 6.1 and 6.2 – Composition of the RC

Provision 6.3 – Remuneration framework

The terms of reference of the RC provide that the RC shall comprise at least three Directors, the majority of whom, including the RC Chairman, shall be independent. The RC comprises three Independent Directors, namely and Mr Raymond Fam Chye Soon, who is the Chairman of the RC, Mr Lim Jun Xiong Steven and Mr Yoong Kah Yin as at the date of this report.

The RC is regulated by a set of written terms of reference, which are in line with the Code. The RC is responsible for, including but not limited to, the following key terms of reference:

- (a) ensuring a formal and transparent procedure for developing policy on executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel;
- (b) reviewing the remuneration packages with the aim of building capable and committed management teams through competitive compensation and focused management and progressive policies;
- (c) recommending to the Board, a framework of remuneration for the Board and the key management personnel of the Group covering all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, share options, benefits-in-kind and specific remuneration packages for each Director and key management personnel;
- (d) considering the various disclosure requirements for Directors' remuneration, particularly those required by regulatory bodies such as SGX and to ensure that there is adequate disclosure in the financial statements to ensure and enhance transparency between the Company and relevant interested parties;
- (e) any appropriate extensions or changes in the duties and powers of the RC;
- (f) retaining such professional consultancy firm as the RC may deem necessary to enable it to discharge its duties hereunder satisfactorily; and
- (g) carrying out its duties in the manner that it deems expedient, subject always to any regulations or restrictions that may be imposed upon the RC by the Board of Directors from time to time.

The RC shall review the Company's obligations arising in the event of the termination of an Executive Director and/or key management personnel's contract of service to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance.

For financial year 2023, there were no termination, retirement and post-employment benefits granted to the Directors and key management personnel.

Provision 6.4 – Remuneration consultant

In carrying out their duties, the RC may obtain independent external legal and other professional advice as mentioned above, as it deems necessary, relating to the remuneration policy and in determining the level and mix of remuneration for Directors and key management personnel. The expenses of such advice shall be borne by the Company. The Company had engaged an external remuneration consultant, HR Guru in 2021 to review the remuneration of Independent Non-Executive Directors through benchmarking study, responsibilities vested and effort and time commitment required from the Independent Non-Executive Directors given the complexities of the business and business structure. This is to ensure the remuneration of Independent Non-Executive Directors is appropriate to the level of contribution taking into account factors such as effort, time spend and responsibilities. Review from HR Guru guides the Board in reviewing the remuneration for Directors.

CORPORATE GOVERNANCE STATEMENT

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

Provisions 7.1 and 7.3 – Remuneration of Executive Directors and KMPs

Provision 7.2 – Remuneration of Non-Executive Directors

In setting remuneration packages, the Company takes into consideration the remuneration and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance, risk policies and the performance of individual directors.

The Executive Directors do not receive Directors' fees. Mr Wong Teek Son, the Executive Chairman and CEO with one of the Executive Director, namely Mr Lee Wai Keong, are paid a basic salary and a performance-related profit sharing bonus. No Director will be involved in deciding his own remuneration.

The RC reviewed the service agreement of the CEO, Mr Wong Teek Son ("**Mr Wong**"). Under Mr Wong's service agreement, Mr Wong was appointed as CEO of the Company for a fixed period of three (3) years ("**Initial Term**") with effect from the date of the Company's admission to the official List of SGX-ST. After the Initial Term, the service agreement shall be automatically renewed unless terminated by either party giving the other not less than 6 months' prior written notice or terminated in accordance with the terms of the service agreement.

The Independent and Non-Executive Directors do not have any service agreements with the Company. Non-Executive Directors are compensated based on a fixed annual fee taking into consideration their respective contributions and attendance at meetings. Their fees are recommended to shareholders for approval at the AGM. The Board is satisfied that Non-Executive Directors are not over-compensated to the extent that their independence are compromised. Other than Directors' fees, which have to be approved by shareholders at every AGM, the Independent Directors do not receive any other forms of remuneration from the Company.

Directors' fees amounting to SGD221,000 for the financial year ending 31 December 2023 have been proposed for payment in arrears on a quarterly basis. This recommendation has been endorsed by the Board and will be tabled at the forthcoming AGM for shareholders' approval.

No Director is involved in deciding his or her own remuneration.

Provision 7.3 – Long Term incentives

The Company currently does not have any share option scheme or any long term scheme in place as the Company believes "pay holds employees accountable" for improving shareholders value and drive productivity profit. The Company currently does not have any contractual provisions to allow the Company to reclaim incentive from Executive Directors and key management personnel in exceptional cases of misstatement of financial results, or of misconduct resulting in financial loss to the Company.

The RC believes the current remuneration is sufficient to attract, retain and motivate directors to provide good stewardship to the Company and key management personnel for long-term objectives and shareholders' value.

CORPORATE GOVERNANCE STATEMENT

Disclosure on Remuneration

Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1 – Disclosure of remuneration

The RC discussed and reviewed the remuneration of the Directors, CEO and key management personnel. No Directors or member of the RC shall be involved in deciding his own remuneration, except for providing information and documents specifically requested by the RC to assist in its deliberation.

Having reviewed and considered the variable components of the Executive Chairman, Executive Director and Chief Financial Officer (“CFO”), and key management personnel, which are moderate, the RC is of the view that there is no requirement to institute contractual provisions to allow the Company to reclaim incentives from the Chairman and CEO and key management personnel in exceptional cases of wrong doings.

The breakdown of remuneration paid to Directors for FY2023 on an individual basis are as follow:

Remuneration of Directors:

Name of Director	Salaries, allowances and benefits-in-kind S\$	Bonus S\$	Profit sharing S\$	Directors’ Fees S\$	Total S\$
Wong Teek Son	180,274	–	488,110	–	668,384
Lee Wai Keong	129,317	–	438,834	–	568,151
Sabariah Binti Salleh	93,160	21,762	–	–	114,922
Chong Chu Mee	99,983	21,718	–	–	121,701
Lim Jun Xiong Steven	–	–	–	83,000	83,000
Raymond Fam Chye Soon	–	–	–	69,000	69,000
Yoong Kah Yin	–	–	–	69,000	69,000
	502,734	43,480	926,944	221,000	1,694,158

Remuneration of Key Management Personnel:

Remuneration Band and Name of top 8 key management personnel	Salaries, allowances and benefits-in-kind	Bonus	Profit sharing	Directors’ Fees	Total
Below S\$250,000					
Lim Sing Poew	89%	11%	–	–	100%
Dumrongsak Aroonprasertkul	57%	–	43%	–	100%
Tan Wang Thing	84%	16%	–	–	100%
Lee Keat Leong	64%	36%	–	–	100%
Mohamed Anuar Bin Idris	82%	18%	–	–	100%
Gan Ah Mooi	81%	19%	–	–	100%
Casey Khor Kuan Ching	85%	15%	–	–	100%
Ge Ren Ping	82%	18%	–	–	100%

CORPORATE GOVERNANCE STATEMENT

For competitive reasons and to maintain confidentiality of staff remuneration and to prevent poaching of key management personnel in the competitive industry, the Company is disclosing remuneration breakdown of top eight (8) key management personnel of the Group (who are not Directors or CEO) in bands of S\$250,000 for FY2023 without disclosing aggregate total remuneration paid to the top 8 key management personnel of the Group in this report. The Board is of the view that specific remuneration disclosure of aggregate total remuneration of top eight (8) key management personnel is not in the best interest of the Company considering the competitive industry and it may adversely affect the Company's talent retention efforts, given the sensitive nature in the industry for key talent. Considering the highly competitive business environment which the Group operates and potential impact of such disclosure will have on the Group as well as the Group's retention efforts for key talent especially in anticipation of post-pandemic time, the current disclosure of key management personnel on a named basis and in bands of S\$250,000 was sufficient.

Provision 8.2 – Remuneration of related employees

Mr Wong Teek Son and Mr Wong Teck Choon are brothers. Puan Sabariah Binti Salleh and Encik Mohamed Anuar Bin Idris are husband and wife. The Group does not have any employees who are immediate family members of a Director or the CEO and or a substantial shareholder of the Company whose remuneration exceeded S\$100,000 for the FY2023.

Provision 8.3 – Forms of remuneration and details of employee share schemes

The Company does not have any employee share scheme.

Summary of activities in 2023
<ul style="list-style-type: none"> • Reviewed and approved fixed remuneration, total cash remuneration and total remuneration for executives; • Discussion on remuneration packages of employees in the Group which includes salary adjustments and bonus; • Reviewed remuneration package of the Executive Directors and CEO which includes salary and profit sharing bonus; and • Reviewed remuneration package of the Independent Non-Executive Directors.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.

Provision 9.1 – Nature and extent of risks

The Board acknowledges that it is responsible for the overall internal control framework and maintains a sound system of risk management and internal controls, but recognises that no cost effective internal control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

CORPORATE GOVERNANCE STATEMENT

The Board considers it is necessary to increase emphasis on risk management and internal controls in a complex business and economic environment. The Board oversees that the Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and Company's assets. The Board has adopted an enterprise risk management framework to ensure that a robust risk management and internal controls are in place. The head of departments had oversight of the Group's risk governance as follow:

- Review the adequacy and effectiveness of the Group's risk management systems and their controls and also identify key risks;
- Implement risk management policies, processes, assessment and mitigation of risks; and
- Oversee and advise the Board on the Group's risk management and internal controls.

The Board as a whole undertakes the oversight responsibilities in respect of risk governance of the Group. Based on the Group's business and operations, the Board agreed a separate Board Risk Committee will not be effective to preserve corporate governance.

The risk register will be updated and assessments carried out periodically. The risk register is to capture the significant business risks and internal controls to mitigate these risks. Summary report of the review of the adequacy and effectiveness of the internal controls systems will be prepared for the consideration by the Board periodically. These reports include assessment of the Group's key risks and plans undertaken to manage key risks.

Self-assurance process to evaluate and manage risks effectively is initiated by the head of departments. External auditor reports to the AC and Board on the operations of the internal controls as part of the annual or continuance audit of the Group. Internal auditor provides assessment on the adequacy and effectiveness of the Group's risk management and internal control framework in addressing the financial, operational, compliance risks and information technology systems.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors and reviews performed by Management, Board Committees and the Board, the Board is satisfied that the Group's risk management systems and internal controls (including financial, operational, compliance and information technology) were adequate and effective for financial year ended 31 December 2023. The AC concurred with the Board's comments on the adequacy and effectiveness of internal controls (including financial, operational, information technology and compliance) and risk management systems. These controls are and will be continually assessed for improvement. The AC assists the Board to oversee the Company's risk management framework and policies.

Subsequent to the close of financial year end 2023, international bodies and national governments have imposed sanctions with the aim of achieving foreign policy or national security goals. Although the Group has principal place of business outside Singapore with customers overseas, none of the Group's person or entity is exposed to sanctions-related risks. The Board confirmed there has been no material change in its risk of being subject to any Sanctions Law. The Board's comment on the adequacy and effectiveness of internal controls and risk management systems included consideration related to any sanctions-related risk. The AC concurred with the Board's comment.

CORPORATE GOVERNANCE STATEMENT

Provision 9.2 – Assurance from the CEO and CFO

The Board received assurance in writing from CEO and CFO that (i) the financial records have been properly maintained and the financial statements of the Company give a true and fair view of the Company's operations and finances and (ii) the adequacy and effectiveness of the Company's risk management and internal control systems (including financial, operational, compliance and information technology controls). However, the Board also notes that no system of internal controls and risk management systems can provide absolute assurance against the occurrence of material errors, poor judgement in decision making, human error, losses, fraud or other irregularities.

Audit Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

Provisions 10.1, 10.2 and 10.3 – Composition of the AC

The terms of reference of the AC provide that the AC shall comprise at least three members, all of whom shall be Non-Executive Directors and a majority of whom, including the AC Chairman, shall be independent. The AC comprises three Independent Directors, namely Mr Lim Jun Xiong Steven, who is the Chairman of the AC, Mr Raymond Fam Chye Soon and Mr Yoong Kah Yin as at the date of this report.

All three members bring with them invaluable managerial and professional expertise in the financial, taxation, legal and business management spheres. The AC holds periodic meetings and reviews primarily with the Group's external auditors and internal auditors and its executive management to review accounting, auditing and financial reporting matters so as to ensure that an effective system of control is maintained in the Group.

The AC carries out the functions set out in the written terms of reference which include:

- To review the financial statements, the written reports from internal and external auditors, the internal auditors' evaluation of the system of internal accounting controls, the scope and results of the internal audit procedures, the cost effectiveness, independence and objectivity of the external auditors and interested person transactions;
- making recommendation to the Board on (i) the proposals to the shareholders on the appointment, re-appointment or removal of external auditors, remuneration and terms of engagement of external auditors;
- Reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal controls and risk management audit function; and
- Reviewing the assurance from the CEO and the CFO on the financial records and financial statements.

The AC will be responsible for (a) monitoring the issuer's risk of becoming subject to, or violating, any Sanctions Law; and (b) ensuring timely and accurate disclosures to SGX and other relevant authorities. The AC terms of reference will be reviewed to include assessment in relation to the sanctions-related risks.

CORPORATE GOVERNANCE STATEMENT

The AC has explicit authority by the Board to investigate any matter within its terms of reference, and has full and unlimited access to, and the co-operation of, the management and resources which are necessary to enable it to discharge its functions properly. It also has full discretion to invite any executive director or executive officer to attend its meetings. The AC meets with the internal auditors and the external auditors separately, at least once a year, without the presence of Management, to discuss the reasonableness of the financial reporting process, to monitor and review the adequacy of audit arrangements with particular emphasis on the observations and recommendations of the external auditors.

During the year, the AC has reviewed the scope and quality of their audits and the independence and objectivity of the external auditors as well as the cost effectiveness. It also reviewed all audit and non-audit fees paid to the external auditor. Please refer to page 65 for details of the audit fees. The AC received update on changes in accounting standards from external auditors periodically. During the year, the AC was updated on the key changes to Regulatory and Reporting Accounting Standards by the external auditors and apprised of the impact to the Company's financial statements. The AC also received the Audit Quality Indicators from the external auditors.

The AC agreed that the Key Audit Matters ("**KAM**") highlighted by the external auditors were appropriate areas to focus on. The AC examined the findings on the KAM together with the external auditors and Management. In each of the KAM, the AC reviewed and accepted their assessment, judgements and estimates on the significant matter reported by the external auditor. The AC concurred with the external auditors regarding the KAM.

The AC had reviewed the non-audit related work carried out by the external auditors, Messrs Ernst & Young LLP, during the current financial year and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. The AC is satisfied that the Company's auditors are still able to meet the audit requirements and statutory obligation of the Company. The AC, with the concurrence of the Board, had recommended the re-appointment of Messrs Ernst & Young LLP as the Company's external auditors at the forthcoming AGM. During the year, there was no non-audit related work carried out by its external auditors.

The Group has appointed different auditors for its overseas subsidiaries. The Board and the AC are satisfied that the appointment would not compromise the standard and effectiveness of the audit of the Group. Accordingly, the Company is in compliance with Rules 712 and 715 of the Listing Manual.

Provision 10.4 – Internal audit function

The internal audit function of the Group is outsourced to an auditing firm. The Company has engaged Crowe Governance Sdn Bhd ("**Crowe Governance**") as the internal auditor to perform the Company's internal audit function. Crowe Governance is a Corporate Member of the Malaysian Institute of Internal Auditors and is guided by The Institute of Internal Auditors Inc. International Professional Practice Framework in the delivery of their internal audit services.

The AC had considered the independence, skills and experience of the firm prior to making recommendation to the Board for their appointment. The AC approves the hiring, removal, evaluation and compensation of the internal audit firm. The AC is satisfied with the independence and effectiveness of the internal audit function.

CORPORATE GOVERNANCE STATEMENT

The AC reviews the audit plan of the internal auditors, ensures that adequate resources are directed to carry out those plans and will review the results of the internal auditors' examination of the Group's system of internal controls and risk management. The AC is satisfied that the internal audit function is adequately resourced after it has been outsourced to an auditing firm and has appropriate standing within the Company. The internal auditor has access to all records including access to the AC. The internal auditors reports directly to the Chairman of the AC. The AC reviews the adequacy and effectiveness of the internal audit function annually.

The Company had established a whistle blowing policy to enable persons employed by the Group a channel to report any suspected non-compliance with regulations, policies, fraud and/or other matters to the appropriate authority for resolution, without any prejudicial implications for these employees and identity of the whistle-blower is kept confidential. The AC is vested with the power and authority to receive, investigate and enforce appropriate action when any such non-compliance matter is brought to its attention. The Group has a well-defined process which ensures independent investigation of such matters and the assurance that employees will be protected from reprisals, within the limits of the law. The AC is responsible for oversight and monitoring of whistleblowing policy.

The AC does not have a former partner or director of the Company's existing auditing firm acting as a member within 12 months commencing on the date of directors ceasing to be a partner of the auditing firm or has any financial interest in the auditing firm.

Summary of activities for 2023

- Reviewing quarterly financial statements and announcements and recommend to the Board;
- Reviewing financial and operating performance of the Group;
- Reviewing budget and forecasts as presented by Management;
- Reviewing interested person and related party transactions;
- Reviewing the audit report from the external auditor, including areas of audit emphasis and key audit matters, findings and progress of Management's actions as well as update on new accounting standards with status of Management's implementations;
- Evaluating and recommending the re-appointment of the external auditors, review of audit fees, provision of non-audit services, objectivity and independence and review of the audit plan;
- Reviewing the internal audit plan (including progress, implementation of management actions, changes to the plan and auditable entity) and follow-up actions;
- Reviewing the adequacy and effectiveness of the internal controls (including financial, operations, compliance and information technology) and risk management systems with reference to the Internal Control Framework and Statement of Internal Controls with the internal auditor;
- Reviewing the adequacy and effectiveness, independence and scope of the internal audit function and approve the auditing firm to which the internal function is outsourced including audit resources and its appropriate standing within the Group; and
- Meeting with the external auditor and internal auditor without the presence of Management.

CORPORATE GOVERNANCE STATEMENT

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provisions 11.1, 11.2, 11.3 and 11.4 – Conduct of general meetings

The Board is accountable to the shareholders and is mindful of its obligation to provide a balanced and understandable of material information to shareholders, investors and public. This allows shareholders to assess its performance, position and prospects.

The Board treats all shareholders fairly and equitably and seeks to protect and facilitate exercise of shareholders' rights.

The Company ensures that there are separate resolutions at general meetings on each distinct issue. Each item of special business included in the notice of the meeting will be accompanied by a full explanation of the effects of a proposed resolution. Separate resolutions are proposed for substantially separate issues at the meeting and the Chairman declares the number of proxy votes received both for and against each separate resolution.

Results and other material information are released on a timely basis for dissemination to shareholders and the public in accordance with the requirements of the SGX-ST. All material information and financial results are released through SGXNET, media and analyst briefings. The media and analyst briefings would be attended by key management. The Company has appointed an Investor Relations ("IR") firm in Singapore, Financial PR Pte Ltd, to manage all its investor relations affairs, including but not limited to establish and maintain regular dialogue with shareholders. The Company conducts investor briefings after the release of its financial results, inviting analysts, fund managers, both mainstream and non-mainstream media and shareholders of the Company, in an effort to promote regular, effective and fair flow of information between shareholders and its stakeholders. All presentation slides made during the investor briefings are uploaded via SGXNET. Shareholders may contact the Company with questions and through which the Company may responds to such questions.

The AGM of the Company is a principal forum for dialogue and interaction with all shareholders. The Company's Constitution allows shareholders the right to appoint a proxy to attend and vote on their behalf of the shareholder's meetings. The electronic Annual Report and notice of AGM are made available on the Company's website www.riverstone.com.my at general meetings, separate resolutions on each separate issue will be tabled for approval by shareholders. Shareholders will be given the opportunity to voice their views and to direct questions regarding the Group to the Directors including the chairpersons of each of the Board committees.

All Directors attend AGM and are available to address questions. The external auditors are also present to assist the Directors in addressing any relevant queries by shareholders. Shareholders are encouraged to attend the AGM of the Company to ensure a high level of accountability and to stay informed of the Company's strategy and goals. The Board allows all shareholders to exercise its voting rights by participation and voting at general meetings. All resolutions put to vote by poll in the presence of independent scrutineers and the detailed results were released to SGX-ST after the meeting. As the present Constitution of the Company does not have a provision to allow shareholders to vote in absentia, via methods such as e-mail, fax, etc., and the legal and regulatory environment is not entirely conducive for voting in absentia, the Company does not allow a shareholder to vote in absentia at general meetings. The introduction of absentia voting methods will be deferred until it is appropriate to do so.

CORPORATE GOVERNANCE STATEMENT

The AGM held on 24 April 2023 was conducted physically in Singapore. Shareholders had the opportunity to submit questions in advance before the AGM and they are given at least seven days after notice of AGM to submit questions relating to the AGM agenda. The Company had on 20 April 2023 addressed the relevant and substantial questions submitted in advance by shareholders and Securities Investors Association (Singapore) ("SIAS"). Directors also replied to questions by shareholders at the physical AGM.

Provision 11.5 – Minutes of general meetings

Minutes of general meetings include substantial and relevant queries or comments from shareholders and responses from the Board and Management relating to the agenda of the meeting. These minutes would be available to shareholders upon their request. The Company had published minutes of the AGM held on 24 April 2023 via SGXNET on 24 May 2023.

The Company's website at www.riverstone.com.my provides corporate information, the latest financial results, annual report and various other announcements. The Company does not practice selective disclosure. Price-sensitive information is first publicly released via SGXNET, either before the Company meets with any group of investors or analysis or simultaneously with such meetings.

Provision 11.6 – Dividend policy

Currently, the Company does not have a fixed dividend policy but strives to achieve the objective of maximising shareholders value by balancing the amount of dividends paid with keeping sufficient funds for future growth. In consideration for dividend payment, the Company takes into account, among other factors, current cash position, future cash needs, profitability, retained earnings and business outlook. It has been declaring dividend payments each and every year since its public listing. For FY2023, the Company had paid interim dividend of RM0.08 per share (tax-exempt 1-tier), RM0.10 per share (tax-exempt 1-tier), RM0.05 per share (tax-exempt 1-tier) and another RM0.05 per share (tax-exempt 1-tier) on 24 March 2023, 19 May 2023, 6 October 2023 and 8 December 2023 respectively and also a special interim dividend of RM0.05 per share (tax exempt 1-tier) payable on 5 April 2024. The Company has recommended a final dividend of RM0.075 per share (tax-exempt 1-tier) for the financial year ended 31 December 2023 payable on 17 May 2024 subject to the shareholders' approval at the forthcoming AGM.

Engagement with Shareholders

Principle 12: The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

Provisions 12.1, 12.2 and 12.3 – Shareholder engagement

The Company aims to engage in regular, effective and fair communication with shareholders, and be as descriptive, detailed and forthcoming as possible. The Annual Report and Notice of AGM is made available to all shareholders and published on SGXNET. The notice is also advertised in the press and made available on the website. At AGM, the Company encourages shareholders participation and shareholders are given the opportunity to air their views and ask Directors or management questions regarding the Company.

CORPORATE GOVERNANCE STATEMENT

The electronic Annual Report and financial results are disclosed on an equal and timely basis through SGXNET within the mandatory period and the information is also available on the Company's website. Information on the Company's new initiatives or key developments are first disseminated via SGXNET and also made available on-line to shareholders on a timely and transparent manner with the same disclosure given publicly to all. Price sensitive information is announced through SGXNET. However, any information that may be regarded as undisclosable material information about the Group will not be given.

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

Provisions 13.1, 13.2 and 13.3 – Stakeholder engagement

The Company engages its stakeholders through different channels to establish, address and monitor the material environmental, social and governance (ESG) factors of the Company's operation and its impact on the various stakeholders.

The Company engages stakeholders with the various channels that are already in place, to better understand its stakeholders' concerns, and address any issues that they may face. Engagement channels and frequencies are reviewed periodically to ensure that they are sufficient to deal with current identified stakeholders' ESG-related issues.

The Company is committed to enhance and improve the current engagement initiatives, while staying abreast of new trends or developments that may affect the sustainability standing of the Company, and eventually devise corresponding measures to resolve the new ESG issues. For more information on the Company's approach to stakeholder engagement and materiality assessment, please refer to the Company's Sustainability Report which will be available on or before 30 April 2024.

DEALINGS IN SECURITIES

(Listing Manual Rule 1207(19))

The Group has adopted an internal code on dealings in securities in its shares that are applicable to all the Group, its officers including Directors, management staff and employees in possession of confidential information. The Group, the Group's Directors and affected employees are also expected to observe insider-trading laws at all times and are not allowed to deal in securities on short term considerations or while in possession of price-sensitive information or during the period commencing one month before announcement of the Company's half yearly results and Company's full year financial statements, as the case may be, and ending on the date of the relevant results.

This internal code has been disseminated to Directors and affected employees. A copy of the code on dealings in securities is also issued to any new affected employees at the time of them joining the Group.

INTERESTED PERSON TRANSACTIONS

(Listing Manual Rule 907)

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and that the transactions are carried out at arm's length and on normal commercial terms and will not be prejudicial to the interests of the Company and its shareholders.

CORPORATE GOVERNANCE STATEMENT

The Company does not have an Interested Person Transactions Mandate.

The transaction with an interested person for FY2023 is as follow:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
Hoe Hup Heng Engineering – Purchase of stainless steel equipment and machinery and provision of repair and maintenance services	Partners of Hoe Hup Heng Engineering are Kuan Ban Hoe and Kuan Thye Ho, both of whom are the brothers-in-law of our Executive Chairman and CEO, Mr Wong Teek Son	S\$10,497	(equivalent to RM35,670)	S\$0	(equivalent to RM0)

Apart from the above, there were no other interested person transactions during the financial year.

MATERIAL CONTRACTS

(Listing Manual Rule 1207(8))

Save for the service agreement between the CEO and the Company, there are no material contracts entered into by the Company and its subsidiaries involving the interest of CEO, any director or controlling shareholder, which are subsisting at the end of FY2023.