

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Corporate Governance Overview Statement is prepared in accordance with the Main Market Listing Requirements (“**Main LR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and the Malaysian Code on Corporate Governance (“**MCCG**”) issued by the Securities Commission Malaysia.

This statement provides shareholders an overview of the corporate governance practices of Tambun Indah Land Berhad (“**Tambun Indah**” or “**the Company**”) during the financial year ended 31 December 2023 (“**FY2023**”) and it is to be read together with the Corporate Governance Report for FY2023 which is available at the Company’s website (www.tambunindah.com).

In FY2023, the Company had applied the following 3 key principles and the practices of good corporate governance as set out in the MCCG:

- Board leadership and effectiveness
- Effective audit and risk management
- Integrity in corporate reporting and meaningful relationship with stakeholders

Out of the total 43 recommended practices in the MCCG, the Company had adopted 37 recommended practices while 2 recommended practices were not applicable in view of (i) Tambun Indah is not a large company (Practice 12.2) and, (ii) Tambun Indah had held its physical general meeting in the financial year under review (Practice 13.5).

The recommended practices not adopted in FY2023 were as follows:

- Practice 5.2 – At least half of the Board comprises independent directors.
- 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.
- 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.
- 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.

The recommended practices not applicable in FY2023 were as follows:

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

Amongst the 5 Step-Up practices, the Company had adopted Practice 4.5 in FY2023 as follows:

- 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I BOARD RESPONSIBILITIES

The Board

The Company continues to be led by an effective Board whose roles essentially covers the functions of fostering good corporate governance through overall strategic policies, sustainability practices, succession planning, a sound internal control and risk management, shareholders' and investors' relations as well as compliances of relevant applicable laws and regulations. Besides, the Board also provides leadership and plays an important role in overseeing the overall performance objectives and long-term success of the Group.

Effective Leadership

The Board leads the Company's governance structure and has delegated specific responsibilities to the relevant Board Committees and the Executive Management for effective decision-making process and greater efficiency. This also serves as a control to mitigate or minimize any abuse of authorities.

The Board Committees discharge their duties in accordance with a defined terms of reference. The Chairman of the relevant Board Committees shall report the outcome of the Committee meetings to the Board. Where the Board Committees have no authority to make decisions on matters reserved for the Board, recommendations would be tabled to the Board for its approval.

It is the responsibility of the Executive Management to manage the business operations and affairs of the Company and its subsidiaries. The Executive Management is governed by a defined organisational chart, framework, policies and the Limit of Authorities ("LOA") approved by the Board.

The LOA sets out clear authority limits pertaining to the operations of the Group through segregation of duties. It also defines the level of authorisation required for specified transactions and its approval limits which the Executive Management is expected to adhere to in carrying out its day-to-day functions.

The Executive Management is also responsible to assist the Board in overseeing the Environmental, Social and Governance ("ESG") and sustainability initiatives carried out across the Group. The Sustainability Working Group comprises members of the Executive Management is tasked to identify material sustainability matters including monitoring the Group's efforts and commitment towards ESG objectives and targets.

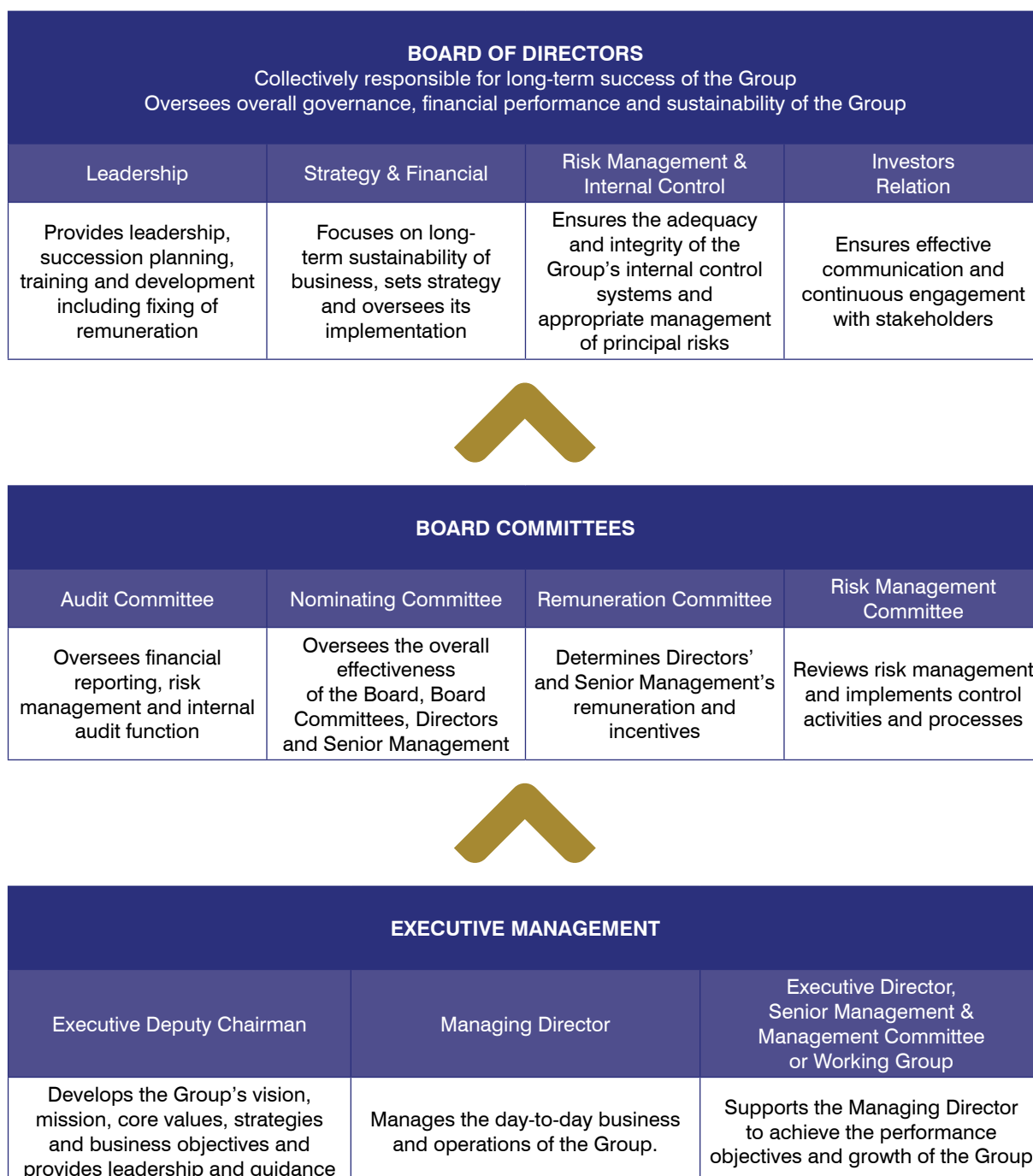
During FY2023, the Directors had attended various trainings relating to ESG and sustainability matters as it is imperative for the Board to stay abreast with and understand the sustainability issues that are relevant to the Company and its business. The Board had also appointed an external independent sustainability consultant to assist in this area.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I BOARD RESPONSIBILITIES (CONT'D)

GOVERNANCE STRUCTURE at a glance



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I BOARD RESPONSIBILITIES (CONT'D)

Roles of Chairman and Managing Director are Separate and Clearly Defined

The Chairman of the Board, Executive Deputy Chairman and the Managing Director were held by different individuals and their roles are clearly defined in the Board Charter. The separation of roles ensures an appropriate balance of power and accountability while facilitating effective discharge of responsibilities.

Roles and Responsibilities

Roles	Key Responsibilities
Chairman of the Board	<p>The Chairman of the Board has no executive function. His key responsibilities include leading the Board in establishing and monitoring good corporate governance practices, ensuring effectiveness of the Board, and ensuring effective communications with shareholders and other stakeholders.</p> <p>The Chairman of the Board is not a member of the Audit Committee, Nominating Committee and Remuneration Committee.</p>
Executive Deputy Chairman	<p>The Executive Deputy Chairman takes on more strategic role focusing his attention on matters relating to the strategic plans and policies of the Group at the same time, he provides leadership to the overall conduct of the Group's businesses to ensure that the Group is being properly managed.</p>
Managing Director	<p>The Managing Director is responsible for day-to-day management of financial and operational matters, and drives the Group's businesses and performance towards achieving the growth and vision of the Group.</p>
Executive Director/ Senior Management	<p>The Executive Director/Senior Management supported the Managing Director in the day-to-day business and operation in accordance with the strategic direction established by the Board.</p>
Non-Executive Directors	<p>The Non-Executive Directors are responsible for acting as a check and balance of the Board and the Management, by providing independent and unbiased views and to protect the long-term interest of shareholders, employees, customers, suppliers and other stakeholders of the Group.</p>
Company Secretaries	<p>The Company Secretaries are responsible for the accuracy and adequacy of records of proceedings of the meetings and resolutions including secretarial functions of the Company. They also play the advisory role relating to procedural and regulatory requirements.</p>

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I BOARD RESPONSIBILITIES (CONT'D)

Role of Board Committees

As at 31 December 2023, the Board has 4 Board Committees. Each Board Committee has its written terms of reference including the authority to approve and/or make recommendations to the Board for consideration and approval.

The terms of reference and responsibilities of the Board Committees are clearly set out in the Company's Board Charter.

1) Audit Committee

As at 31 December 2023, the Audit Committee comprised wholly non-executive directors, majority of which were Independent Director.

On 2 January 2024, the Company appointed an additional Independent Non-Executive Director, Ms. Kaoy Lay Min to the Board and Audit Committee, while Ms. Tsai Chia Ling, a Non-Independent Non-Executive Director of the Company resigned from the Audit Committee on the even date. Currently, the Audit Committee comprised wholly Independent Non-Executive Directors.

The Audit Committee is chaired by Ms. Lam Voon Kean, an Independent Non-Executive Director of the Company.

During FY2023, the Audit Committee met 5 times and the members' attendance for FY2023 is set out in the Audit Committee Report section of this Annual Report.

2) Nominating Committee

The Nominating Committee is chaired by Dato' Seri Mokhtar Bin Mohd Jait, an Independent Non-Executive Director of the Company.

During FY2023, the Nominating Committee met twice to conduct assessments and made corresponding recommendations to the Board in respect of the following matters:

- The composition and effectiveness of the Board and the Board Committees;
- The contribution and competencies of each individual Director;
- The independence and time commitment of the Independent Directors;
- The performance of Senior Management and succession plan of the Group;
- The financial literacy of members of the Audit Committee;
- The effectiveness and objectivity of the Audit Committee and each of its members;
- The effectiveness of the Board towards ESG and Sustainability matters;
- The continuing education programmes and trainings attended by the Directors during the financial year;
- The Board Skills Matrix and Boardroom Diversity;
- The Directors due for retirement by rotation at the Annual General Meeting ("AGM");
- The independence of the Independent Director who had served the Board beyond 9 years; and
- The assessments of candidates for the position of an Independent Director of the Company.

The members' attendance for FY2023 was as follows:

Members of Nominating Committee	No. of meetings attended	Percentage of attendance
Dato' Seri Mokhtar Bin Mohd Jait	2/2	100%
Lam Voon Kean	2/2	100%
Tsai Chia Ling	2/2	100%

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I BOARD RESPONSIBILITIES (CONT'D)

Role of Board Committees (Cont'd)

3) Remuneration Committee

The Remuneration Committee is chaired by Dato' Seri Mokhtar Bin Mohd Jait, an Independent Non-Executive Director of the Company.

During FY2023, the Remuneration Committee met 3 times to review and recommend the remuneration packages of the Executive Directors and Senior Management as well as the Directors' benefits, incentives and fees.

The members' attendance for FY2023 was as follows:

Members of Remuneration Committee	No. of meetings attended	Percentage of attendance
Dato' Seri Mokhtar Bin Mohd Jait	3/3	100%
Lam Voon Kean	3/3	100%
Tsai Chia Ling	3/3	100%

4) Risk Management Committee

The Risk Management Committee is chaired by Mr. Teh Deng Wei, the Managing Director of the Company.

During FY2023, the Risk Management Committee met once to review and discuss the risk profile, risk controls and mitigation policies to ensure their relevance in the Group's business environment and also to review the identified risks affecting the Group were being addressed, managed and mitigated on an ongoing basis.

The members' attendance for FY2023 was as follows:

Members of Risk Management Committee	No. of meetings attended	Percentage of attendance
Teh Kiak Seng	1/1	100%
Teh Theng Theng	1/1	100%
Teh Deng Wei	1/1	100%
Lim Beng Hoe	1/1	100%
Roselyn Tan	1/1	100%

Board Policies

The Board has embedded a clear framework and policies to strengthen the governance and internal control of the Group:

- Board Charter;
- Whistle-Blowing Policy;
- Code of Business Conducts and Ethics;
- Anti-Bribery and Corruption Policy;
- Directors' Fit and Proper Policy;
- Conflict of Interest Policy;
- Sustainability Policy;
- Risk Management Policy and Framework; and
- Stakeholders' Communication section in the Board Charter.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I BOARD RESPONSIBILITIES (CONT'D)

Board Policies (Cont'd)

The policies are either reviewed annually, or as and when required to ensure its relevance.

The Board met regularly throughout the financial year, either physically or virtually, to approve an agreed list of matters reserved for approval of the Board, or upon recommendations as may be made from time to time by the Board Committees as set out in the Board Charter.

Meetings

The Board commits to meet at least 4 times in a financial year. The meetings of the Board and Board Committees are held separately and the proceedings thereat are properly documented in the minutes of the respective meetings.

Each Director is expected to commit and devote enough time in carrying out his or her role as a Director and/or member of the Board Committees. In this regard, the Company Secretary prepares the annual meeting calendar in advance of each new financial year and circulates to the Directors for them to fit the year's meetings into their schedules.

The Directors also approve certain matters relating to the Company's affairs by way of Directors' Circular Resolution to be signed by a majority of Directors for the time being of the Company in accordance with the Company's Constitution.

The Directors had held a total of 7 meetings in FY2023 and their respective attendance was as follows:

Members of the Board	No. of meetings attended	Percentage of attendance
Lai Fook Hoy	7/7	100%
Teh Kiak Seng	7/7	100%
Teh Deng Wei	7/7	100%
Teh Theng Theng	6/7	86%
Tsai Chia Ling	7/7	100%
Lam Voon Kean	7/7	100%
Dato' Seri Mokhtar Bin Mohd Jait	7/7	100%

In FY2023, a total of two (2) Directors' Circular Resolution were circulated and duly passed.

During FY2023, the Non-Executive Directors had held 2 meetings each with the Internal Auditors and External Auditors respectively without the presence of the Executive Management of the Company (Private Sessions).

Access to Information or Advice

The Board is provided with meeting materials that are comprehensive and encompass all matters in the agendas being considered for deliberation together with the minutes of the previous Board and Board Committees at least 7 days in advance for each meeting.

Other than meeting materials, the Senior Management regularly updates the Board via emails to keep them informed of the Group's operational matters and events.

All the Directors have unrestricted access to the services of the Company Secretaries and may inspect the minutes, resolutions and other statutory documents during office hours at the registered office of the Company.

The Directors also have direct access to the Senior Management and unrestricted access to all information of the Group. If the Directors require further information in discharging their duties, they may seek independent professional advice at the Company's expense subject to prior approval of the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I BOARD RESPONSIBILITIES (CONT'D)

Board Activities in FY2023

Strategic and Governance

- Annual Business Plan and Budget
- Quarterly reports from Board Committees
- Composition and Effectiveness of the Board and Board Committees
- Performance of Directors and Senior Management
- Talent Management and Succession Planning
- Independence of Independent Directors
- Directors' Trainings and Development
- Re-appointment of Internal and External Auditors
- Audit and Non-Audit Fees
- Remuneration of Executive Directors and Senior Management
- Directors' Fees and Benefits
- Board Charter and Terms of Reference of Board Committees Review
- Sustainability Policy Review
- Limits of Authorities Review
- Conflict of Interest Policy Adoption
- Directors' Fit and Proper Policy Review
- Anti-Bribery and Corruption Policy, Code of Business Conducts and Ethics and Whistle Blowing Policy Review
- Annual Report
- Quarterly recurrent related party transactions
- Declaration of any conflict of interest or potential conflict of interest situation
- Quarterly Directors and Principal Officers dealings in shares

Financial and Operational

- Annual consolidated financial results
- Quarterly unaudited financial results
- Quarterly business performance review
- Solvency position and dividend payments
- Periodic updates on new accounting standards and tax

Sustainability and Risks

- Quarterly internal audit report
- Annual risk profile updates
- Risk review of changes to regulatory landscape
- Bi-annual ESG progress report

Investors Relation and Stakeholders Engagement

- Annual General Meeting
- Annual Report and Analyst Reports
- Announcements to Bursa Securities
- Corporate Website
- Questionnaires and Surveys

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II BOARD COMPOSITION

Board Independence

Members of the Board as at 31 December 2023	Independent	Non-Executive
Lai Fook Hoy	√	√
Teh Kiak Seng	x	x
Teh Deng Wei	x	x
Teh Theng Theng	x	x
Tsai Chia Ling	x	√
Lam Voon Kean	√	√
Dato' Seri Mokhtar Bin Mohd Jait	√	√
	3 out of 7 (43%)	4 out of 7 (57%)

As at 31 December 2023, the Board comprised of 3 Independent Directors which is equivalent to 43% of Independent Directors represented in the Company's boardroom. This complies with the requirement of the Main LR of Bursa Securities where at least 2 Directors or 1/3 of the Board members, whichever is higher are Independent Directors. The Company, however did not adopt Practice 5.2 of MCCG that requires at least 50% of the Board being Independent Directors.

On 2 January 2024, the Company had appointed an additional Independent Non-Executive Director, Ms. Kaoy Lay Min and redesignated Mr. Lai Fook Hoy as a Non-Independent Non-Executive Director/Chairman and therefore, the Board currently comprises of 3 Independent Directors which is equivalent to 38% representation in the Company's Boardroom.

In the event of any vacancy in the Board, resulting in non-compliance with the total number of Independent Directors, the Company will ensure that the vacancy is filled within 3 months. If the number of Directors is not 3 or a multiple of 3, then the number nearest to 1/3 will be used to determine the number of Independent Directors of the Company.

The Board measures the independence of its Independent Directors based on a set of criteria and the Nominating Committee reviews the independence of each Independent Directors annually.

The Nominating Committee and the Board had assessed and was satisfied with the independence of the Independent Directors of the Company for FY2023 based on the following justifications:

- i) All the Independent Directors complied with the Main LR of Bursa Securities;
- ii) None of Independent Directors participated in any business dealings with the Group in FY2023;
- iii) All the Independent Directors had no conflict of interest that could affect their independent judgement or ability to act in the best interest of the Company;
- iv) All the Independent Directors had devoted sufficient time commitment in fulfilling their role as independent directors adequately in FY2023; and
- v) All the Independent Directors had demonstrated objective participations in Board discussions.

The independent assessments and opinions of the Independent Non-Executive Directors are important in ensuring the effectiveness of corporate governance practices of the Company. Their presence in the Company's boardroom sufficiently represents a strong independent element for effective check and balance on the functioning of the Board.

The Board works as a team with emphasis on transparency, trust and respect, as well as driving the right level of accountability and integrity. No individual Director can dominate the decision-making of the Board despite the Board has representatives of the substantial shareholders.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II BOARD COMPOSITION (CONT'D)

Conflict of Interest

Every Director of the Company is required to disclose any conflict or potential conflict of interest, whether directly or indirectly, in relation to a transaction or proposed transaction with the Group as soon as practicable after the relevant facts have come to his or her knowledge.

At every meeting of the Board, the Directors and Senior Management are required to make self-declaration and/or disclosure concerning any conflict of interest or potential conflict of interest that may arise based on the agenda items tabled. When there is an actual or potential conflict of interest situation, the concerned Director or Senior Management shall not participate in any discussion while the subject matter or agenda items are being considered and shall not vote on the relevant resolution thereof.

On an annual basis, each Director is also required to submit their declaration on conflict of interest together with the annual assessment questionnaires that was provided.

Board Experience and Diversity

Board Tenure	
Less than 5 years	14%
5 – 10 years	29%
11 – 15 years	43%
More than 15 years	14%

Board Age Diversity	
31 – 50 years	29%
51 – 65 years	14%
Above 66 years	57%

Board Skills and Experience
Property Construction and Development
Financial and Accounting
Sales and Marketing
Risk Management and Internal Control
Corporate Governance
Human Resource Relations
Public Policy and Regulatory

The Board has appropriate balance and mix of credentials, tenure, age and diversity of background which are essential and/or valuable for decision-making in the best interest of the Company and its stakeholders.

Gender Diversity

The Board embraces gender diversity to strengthen its Board composition including the Management team level as they may offer different breadth of perspectives and ideas which leads to better collective decision. The Board has established a policy to have at least 30% female Directors represented on the Board.

As at 31 December 2023, the Board comprises of 3 female Directors which is equivalent to 43% female representation in the Company's boardroom whilst 56% of managerial positions are held by female employees.

On 2 January 2024, the Company has further appointed a female director, as such, the Board currently has 4 female Directors which is equivalent to 50% female representation in the Company's Boardroom.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II BOARD COMPOSITION (CONT'D)

Annual Assessments

The Nominating Committee performs annual assessments to review the effectiveness of the Board as a whole, the Board Committees, the Audit Committee and each of its members, and makes its recommendations to the Board. Additionally, the Nominating Committee also assesses the contributions of individual Directors and the independence of the Independent Directors and makes its recommendations to the Board.

The assessment of the Board as a whole, Board Committees, the Audit Committee and each of its members are carried out by way of evaluation questionnaires. The results of the annual assessments are compiled by the Company Secretary and presented to the Nominating Committee for evaluation and consideration. The Nominating Committee will evaluate and table its recommendations to the Board. The Director concerned shall abstain from deliberating on his or her own assessment.

The Board was satisfied that the size and composition of the Board and the Board Committees in FY2023 were adequate with diverse backgrounds, objectivity, skillsets and capabilities that are required to support the execution of the Company's vision and business strategy.

The assessments of individual Directors, Independent Directors and Senior Management are carried out by way of self-assessment questionnaires as well as the fit and proper assessment in accordance with the Company's Directors' Fit and Proper Policy. The assessment include amongst others the character, integrity, contributions in meetings, quality of input, and understanding of role and time commitment.

The Board was satisfied that all the Directors and Senior Management in FY2023 were able to discharge their duties and responsibilities diligently in the best interest of the Group.

Tenure of Independent Directors

The Board adopts Practice 5.3 of the MCGG as any Independent Director who has served on the Board beyond 9 years will subject to annual shareholders' approval should the Board intends to retain the Independent Director beyond the 9 years. Notwithstanding this, the tenure of Independent Director should not exceed 12 years to be in line with the requirement of the Main LR of Bursa Securities.

As at the date of this report, none of the tenure of Independent Directors has exceeded a cumulative term of 9 years.

Re-elections and Appointments

An election of Director shall take place every year. In accordance with the Company's Constitution, 1/3 of the Directors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest to 1/3 shall retire from office and be eligible for re-election.

All the Directors shall retire from office at least once every 3 years but shall be eligible for re-election. A retiring Director shall retain office until the close of the AGM at which he retires.

The Nominating Committee is responsible to assess and recommend the re-election of Directors due for retirement in accordance with the Company's Constitution. The Board will then make recommendations to the shareholders for approval at the AGM.

In accordance with the Company's Constitution, Mr. Lai Fook Hoy, Ms. Lam Voon Kean and Ms. Kaoy Lay Min will be retiring as Directors of the Company at the forthcoming 16th AGM. Being eligible for re-election, they had provided their consents to seek for re-election.

The Board through the Nominating Committee had assessed and recommended them for re-election as Directors at the forthcoming 16th AGM having regard to their contribution to the effectiveness of the Board. The review parameters which is in line with the Directors' Fit and Proper Policy also include their attendance and participation at meetings; skills, knowledge and experience as well as their capacity to bring independent judgement and ability to act in the best interests of the Company as a whole.

The Nominating Committee is also tasked to assess and recommend new appointments to the Board through various contacts and recommendations from independent sources including proposals and recommendations from members of the Board, Management or Major Shareholders of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II BOARD COMPOSITION (CONT'D)

Re-elections and Appointments (Cont'd)

In evaluating the candidate, the Nominating Committee will consider fit and proper assessment amongst others, the following factors:

- the structure, size and composition of the Board at the time, taking into account succession planning, where appropriate;
- the candidate's background, education, age, relevant skills and experiences;
- the candidate's reputation for integrity, accomplishments and likely commitment in terms of time and interest;
- the number of directorships held in public companies and the candidate's ability to devote sufficient time to the Board; and
- the independence of the candidate proposed to be appointed as an independent non-executive director, in particular by reference to the independence requirements under the Main LR of Bursa Securities.

The Nominating Committee shall make their recommendations and put to the Board for endorsement of appointment. The Board will consider the recommendations of the Nominating Committee and make its final decision as to the appointment.

The Company Secretaries are responsible to ensure the relevant procedures relating to the appointment of the new director are properly executed.

Upon appointment, the new Director will be given a copy of the Board Charter, and provided with an induction programme to enable the new Director to gain understanding of the Group's businesses and to get acquainted with his or her peers and the Management.

During FY2023, the Nominating Committee had assessed and recommended Ms. Kaoy Lay Min as a Director/ Independent Non-Executive Director of the Company.

Board Commitments

The Board has members who hold external directorships outside the business interests of the Group, which the Board recognizes it is a benefit to the Company due to the concerned Directors' boardroom exposures. Notwithstanding this, the Directors who hold multiple board representation must provide their assurance that any new or additional appointments will not impact their time commitment to their roles in the Company.

The Nominating Committee also assesses whether the Directors who hold multiple board representations are able to and have been devoting sufficient time to discharge their responsibilities adequately. The assessment of each Director's ability to discharge his or her duties adequately is not confined to the criterion of the number of his or her board representations as time requirements are very subjective.

In view of the above, the Nominating Committee takes into account the contributions by the Directors in meetings, their attendance at meetings and their participation outside the boardroom, in addition to their principal duties as Non-Executive Directors of the Company.

As at 31 December 2023, all the Directors complied with Paragraph - 15.06 (1) of the Main LR of Bursa Securities as none of them had held more than 5 directorships in public listed companies. Besides, the multiple directorships held by the Directors did not give rise to material concern on time commitment and any conflict of interest or potential conflict of interest situation.

Board Development

As at 31 December 2023, all the Directors had participated in various programmes to enhance their knowledge and understanding of recent developments in accounting, sustainability, corporate governance, tax, sales and leadership to aid them in the discharge of their duties and responsibilities as Directors of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II BOARD COMPOSITION (CONT'D)

Board Development (Cont'd)

The Nominating Committee assists the Board in ensuring that Directors receive adequate training to enable them to carry out their duties.

Any Director appointed to the Board is required to complete the Mandatory Accreditation Programme (“MAP”) within 4 months from the date of appointment. In addition to the MAP, the Directors are to determine their own training needs and are encouraged to personally identify any training that would assist them in carrying out their duties and to keep abreast with the developments in the business environments.

At the end of each financial year, the Directors will provide to the Company, a record of his or her trainings attended during the year. The Nominating Committee will assess the continuous development of the Directors and table its recommendation to the Board.

The Board is also regularly updated on the latest key changes to the listing requirements and other applicable legislation as well as the developments in accounting standards or principles, by way of briefing updates by the Company Secretary, Management and/or the Auditors.

The Board through the Nominating Committee had assessed the trainings attended by the Directors in FY2023 and was satisfied with the Directors’ own evaluation of their training needs and therefore, a policy on Directors’ training is not required.

During FY2023, the trainings attended by the Directors were as follows:

Name	Trainings attended
Lai Fook Hoy	<ul style="list-style-type: none"> • How EVs and Smart Charging Infrastructure Can Contribute to Low Carbon Economy in Malaysia? • TCFD 102- Building experience and expertise on climate-related financial disclosures • Challenges in the Design of Tall Buildings Against Earthquake and Wind Loads • Funicular Railway System of Penang Hill and the Habitat Penang Hill • Sustainability Governance and Reporting • Traffic Impact Assessment - Scope and Analysis • Technical Visit to Indium Corporation • ESG KPIs and Targets Workshop
Teh Kiak Seng	<ul style="list-style-type: none"> • Funicular Railway System of Penang Hill and the Habitat Penang Hill • Sustainability Governance and Reporting • Decentralised Water/ Wastewater Treatment Systems • ESG KPIs and Targets Workshop
Teh Deng Wei	<ul style="list-style-type: none"> • Budget 2023 • ESG Risks and Opportunity in the Property Industry • Sustainability Governance and Reporting • ESG KPIs and Targets Workshop • CEO Series Conference 2023
Teh Theng Theng	<ul style="list-style-type: none"> • Effective Solution Selling Workshop • Teambuilding for Excellence • Sustainability Governance and Reporting • ESG KPIs and Targets Workshop

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II BOARD COMPOSITION (CONT'D)

Board Development (Cont'd)

Name	Trainings attended
Tsai Chia Ling	<ul style="list-style-type: none"> Looking Beyond Challenges ESG and Climate Trends to Watch for 2023 Possible Impact of RCEP and CPTPP on Iron and Steel Industry - Malaysia MAP Part II: Leading for Impact (LIP) Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers FTSE4Good ESG Ratings for all PLCs ESG KPIs and Targets Workshop E-Invoicing Carbon Border Adjustment Mechanism (CBAM): What the new EU regulation entails and how companies should react Developments and Impacts of ESG on corporate Malaysia
Lam Voon Kean	<ul style="list-style-type: none"> TCFD 101- Introducing to climate-related financial disclosures TCFD 102- Building experience and expertise on climate-related financial disclosures BEPS Pillar 2- What is your next step? Sustainability Governance and Reporting Asia Pacific Board Leadership Centre Webinar- 2023 Board and Audit Committee Priorities ESG KPIs and Targets Workshop ISSB-MASB Virtual Outreach-Request for Information- Consultation on Agenda Priorities Introducing the first ISSB Standards Invitation to Virtual Event- The Arrival of ISSB Standards and the Continued Relevance of Integrated Reporting Audit Oversight Board Conversation with Audit Committees
Dato' Seri Mokhtar Bin Mohd Jait	<ul style="list-style-type: none"> Sustainability Governance and Reporting ESG KPIs and Targets Workshop

III REMUNERATION

Remuneration Policies

The Board has established a formal and transparent process in determining the remuneration of the Directors and Senior Management of the Company. The objective of the Company's remuneration policy is to attract, retain and motivate the right calibre, skills and integrity to provide good stewardship in the best interest of the Company. During FY2023, there were no changes in the remuneration policies and practices of the Company.

The Remuneration Committee reviews and recommends to the Board, a suitable remuneration package for the Executive Directors with the objective of ensuring a competitive remuneration is in place to drive and manage the Group's business successfully towards the pursuit of the Company's long term strategic objectives and to maximise long term shareholders' value.

The Board shall determine the remuneration package of the Executive Directors as recommended by the Remuneration Committee. The Executive Director, however shall not participate in deciding his or her own remuneration. The current remuneration packages of the Executive Directors comprise a combination of basic salary, fees allowances, bonuses, incentives, statutory contributions and benefits-in-kind.

The Remuneration Committee also reviews and recommends to the Board, the remunerations of the Non-Executive Directors based on their level of responsibilities and commitment required. In addition to the Directors' fees, all the Non-Executive Directors are paid meeting allowance and other benefits such as insurance and training.

The Directors' fees and benefits payable to Directors are subject to annual shareholders' approval at the AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III REMUNERATION (CONT'D)

Remuneration of Directors

The remuneration of the Directors for FY2023 was as follows:

Name	Fees	Allowance	Salaries & other emoluments	Bonus	Defined contribution plan	Benefits-in-kinds	Total
Non-Executive Director (in RM)							
Lai Fook Hoy	85,000	4,000	-	-	-	-	89,000
Lam Voon Kean	83,000	4,000	-	-	-	-	87,000
Dato' Seri Mokhtar Bin Mohd Jait	73,000	4,000	-	-	-	-	77,000
Tsai Chia Ling	69,000	3,500	-	-	-	-	72,500
Executive Director (in RM)							
Teh Kiak Seng	55,000	-	716,243	291,500	151,050	40,100	1,253,893
Teh Deng Wei	55,000	-	1,729,158	704,000	364,800	33,544	2,886,502
Teh Theng Theng	55,000	-	481,630	160,200	96,120	11,100	804,050
	475,000	15,500	2,927,031	1,155,700	611,970	84,744	5,269,945

Save as disclosed above, none of the Directors provided services or received fees for services rendered to the Company or its subsidiaries in FY2023.

Remuneration of Senior Management

The Remuneration Committee is also tasked to review and recommend to the Board, the remuneration packages for the Senior Management having regard to their responsibilities, level of skills, experience, competency and performance as well as the relevant prevailing market remuneration and the financial performance of the Group.

The Company did not adopt the Practice 8.2 of MCCG which required the disclosure on a named basis the top five Senior Management's remuneration in bands of RM50,000.

The Board is of the opinion that specific disclosure on named basis will not be favorable towards the Group due to the competitive environment for personnel with the requisite knowledge and experience in the industry.

For FY2023, the aggregate sum of remunerations paid to the Senior Management Team was approximately RM0.98 million.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I AUDIT COMMITTEE

The Board has established the Audit Committee to independently oversee the Company's financial reporting process, audit processes, statutory and regulatory compliances, corporate governance and any other matter which the Board may delegate from time to time and when necessary.

The Nominating Committee assesses the performance of the Audit Committee and its members annually with the objective of ensuring an independent and effective Audit Committee and table their recommendations to the Board.

Upon its annual assessment, the Board was satisfied that all members of the Audit Committee are financially literate and possessed the appropriate level of expertise and commitment in discharging their responsibilities effectively.

Further details are set out in the Audit Committee Report section of this Annual Report.

External Auditors

Shareholders at the 15th AGM had re-appointed BDO PLT, a firm registered with the Audit Oversight Board (AOB) of the Securities Commission Malaysia to audit the Company's financial statements for FY2023. BDO PLT was also engaged to audit the financial statements of all the subsidiaries of the Company in respect of FY2023.

In performing its function, the Audit Committee reviewed the scope and approach of the external audit, the reporting obligations, the audit procedures, deliverables and key dates for the year's audit before the External Auditors commenced their audits of the Company and its subsidiaries.

The Audit Committee also discussed with the External Auditors the accuracy and completeness of the accounting records, the impact of adoption of the new accounting standards, the effectiveness of the Group's internal controls and risk management including any other pertinent matter that was brought to the attention of the Audit Committee relating to the audit of the Group's financial statements.

In addition to the above, the Audit Committee also ensured that Management provides a timely response to any request of documents or queries raised by the External Auditors. Chairman of the Audit Committee then reported to the Board on the progress and findings of the audits as well as matters that required the Board's decision.

The Audit Committee also met with the External Auditors twice without the presence of the Executive Directors and Management of the Group in FY2023.

Assessment of External Auditors

The Audit Committee is responsible to assess the External Auditors annually. The Audit Committee evaluates the performance of the External Auditors using the evaluation metrics from the Corporate Governance Guide issued by Bursa Securities.

The Audit Committee has considered a number of aspects such as the adequacy of resources, quality of work, the experience of the staff assigned to the audit of the Group and of the Company as well as the independence and objectivity of the External Auditors.

In conducting the audit of the Company and its subsidiaries, BDO PLT is required to comply with the independence requirements of the Malaysian Institute of Accountants' ("MIA") By Laws (On Professional Ethics, Conduct and Practice).

During FY2023, BDO PLT had informed the Audit Committee that it has evaluated its independence and inter alia that, it has policies and procedures in place to safeguard its independence. Besides, they had also obtained independence declarations from all staff engaged in the audit of the Company and its subsidiaries and they are not aware of any relationships between BDO PLT and the Group that, in its professional judgement, may reasonably be thought to bear on their independence.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

I AUDIT COMMITTEE (CONT'D)

Assessment of External Auditors (Cont'd)

BDO PLT also informed the Audit Committee that the non-audit services provided are permissible under the MIA By Laws, hence they confirmed that their professional independence has not been impaired. Taking into account the foregoing, the Audit Committee concurred with BDO PLT that the provision of non-audit services would not compromise the independence of BDO PLT.

Upon its annual assessment, the Audit Committee was satisfied with the suitability of BDO PLT based on their audit approach, quality of work done, sufficiency of resources and independence. The Audit Committee had proposed that the Board recommends the re-appointment of BDO PLT as the External Auditors of the Company at the forthcoming AGM.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Risk Management

The Board acknowledges its overall responsibility for maintaining a sound risk management process and internal control mechanism that are necessary to protect the business from identified material risks and to safeguard the Group's assets and shareholders' investment.

The Board has established the Risk Management Committee led by the Managing Director to oversee the adequacy of the Group's risk management framework to ensure risk management and internal controls are in place.

The Risk Management Committee is tasked to identify new risks and assess existing risks to ensure the risks are being addressed, managed and mitigated on an on-going basis.

A dedicated risk report is prepared for this purpose and the Risk Management Committee will update the Audit Committee and the Board periodically on the Group's risk profile including actions undertaken by the management to manage or mitigate the risks identified.

The Board confirmed that there was an on-going process of risks identification and mitigation and such risks are updated in risk profile according to the risk nature namely strategic, operational and financial.

This process had been in place for FY2023 and up to the date of issuance of the Statement on Risk Management and Internal Control.

Further details of risk management are set out in the Statement on Risk Management and Internal Control section of this Annual Report.

Internal Audit Function

In FY2023, the Group had outsourced its internal audit function to an independent professional firm of consultants, Sterling Business Alignment Consulting Sdn. Bhd., a member of The Institute of Internal Auditors Malaysia (IIAM), to provide the Board with the assurance it required regarding the adequacy and integrity of the systems of internal control of the Group.

The Internal Auditors confirmed that there were no relationships or conflict of interest in the discharge of their responsibilities during FY2023 and they remained independent and had no direct operational responsibility or authority over any of the activities audited.

The Internal Auditors report directly to the Audit Committee.

Further details of the internal audit function are set out in the Statement on Risk Management and Internal Control section and the Audit Committee Report section of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I COMMUNICATION WITH STAKEHOLDERS

Financial Reporting

The Board aims to present a balanced and understandable assessment of the Group's financial position and prospects to the public in accordance with the provisions of the Companies Act 2016, International Financial Reporting Standards and the Malaysian Financial Reporting Standards.

The Company has put in place, a financial reporting procedures and disciplines across its subsidiaries in ensuring the Group maintains accurate records and timely reporting of its financial performance.

The Finance Division prepares the annual consolidated financial statements and quarterly financial results of the Company. The Head of Finance shall update the Audit Committee and the Board on any new applicable approved accounting standards that are relevant to the Group including changes to the Company's accounting policies on an annual basis in the first quarter of the financial year. It has also been a practice that the Head of Finance to discuss and agree with the External Auditors in respect of any new and amended accounting standards and requirements, including any changes in accounting policies adopted by the Group before tabling to the Audit Committee and the Board for adoption.

In the preparation of the consolidated financial statements for FY2023, the Board in discharging its duties had taken the necessary steps to ensure all applicable accounting policies were applied consistently, and supported by reasonable and prudent judgement.

The Audit Committee assisted the Board to oversee the Group's financial reporting processes by reviewing the financial and statutory compliance aspects of the annual financial statements and quarterly financial results prior to deliberation at the Board's level.

The Board then discussed and approved the annual financial statements and quarterly financial results for release to Bursa Securities after the close of trading.

Stakeholders Communications

The Board recognises the importance of an effective communication channel between the Board, shareholders and general public, and at the same time, in full compliance with the disclosure requirements as set out in the Main LR of Bursa Securities. The annual reports, press releases, quarterly results and any announcements on material corporate exercises are the primary modes of disseminating information on the Group's business activities and financial performance.

The Company has a dedicated Investor Relations team to manage communications with shareholders. The team communicates regularly with shareholders and the investment community, with timely disclosures of material or other pertinent information through announcements to Bursa Securities. The team also conducts analyst presentations and corporate briefings to keep investors apprised of the Group's development and financial performance.

The Company also maintains a corporate website (www.tambunindah.com) which contains a comprehensive range of information of the Group to communicate or engage with shareholders and stakeholders of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

I COMMUNICATION WITH STAKEHOLDERS (CONT'D)

SHAREHOLDERS ENGAGEMENT

<p style="text-align: center;">Electronic Communication and Online Information</p> <ul style="list-style-type: none"> Key corporate governance policies, board charter, minutes of AGM, Summary of Key Matters Discussed, financial reports and announcements are available on the Company's website. Hard copies of the Annual Reports and Circulars available on the Company's website are provided to shareholders (on request) free of charge. 	<p style="text-align: center;">Sufficient and Timely Information</p> <ul style="list-style-type: none"> The AGM notice and Annual Report (including audited financial statements) are given to shareholders at least 28 days before the date for holding the AGM which exceeds the statutory requirement of 21 days. For each resolution to be proposed for approval by shareholders under special business, there are explanatory notes setting the rationale for shareholders to make an informed decision when exercising their voting rights.
<p style="text-align: center;">Accountability to Shareholders and Corporate Reporting</p> <ul style="list-style-type: none"> Disclosures of annual report, interim report and results, press releases and pertinent announcements are submitted to Bursa Securities on timely basis. 	<p style="text-align: center;">Dynamic engagement with Shareholders</p> <ul style="list-style-type: none"> Regular dialogues, meetings including regular presentation or conference calls between Senior Management and investors, fund managers and analysts.
<p style="text-align: center;">Corporate Disclosure</p> <ul style="list-style-type: none"> Tambun Indah's Board Charter – Stakeholders Communication provides guidance on the disclosure of material information to investors, analysts and media. This guidance identifies the spokespersons and outlines the responsibilities or communication with each stakeholder group. 	<p style="text-align: center;">Dividend Policy</p> <ul style="list-style-type: none"> Tambun Indah's longstanding policy is to provide stable ordinary dividends to shareholders. The dividend payout is based on 40% to 60% of the Group's audited net profit excluding any valuation gain or loss on investment properties for the financial year.
<p style="text-align: center;">Voting</p>	
<ul style="list-style-type: none"> All the resolutions set out in the notice of meeting of members are put to vote by poll. The poll will be conducted by the Company's Share Registrar and scrutinised by an independent scrutineer. Procedures for conducting the poll are explained to members during the meeting prior to the taking of the poll. Poll results are announced and posted on the Bursa Securities' and the Company's websites on the same day after the meeting. 	

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

II CONDUCT OF GENERAL MEETINGS

The Annual Report of the Company together with the notice of AGM is given to shareholders at least 28 days before the date of the AGM. Each item of special business included in the notice of AGM will be accompanied by explanatory statement to facilitate a full understanding and evaluation of the proposed resolution.

For general meetings other than the AGM, the Company provides the notice of general meeting at least 21 days for special resolution and 14 days for ordinary resolution.

In line with the Company's sustainability efforts and as permitted by the Companies Act and the Main LR of Bursa Securities, the annual report of the Company is made available to shareholders by way of electronic communications via posting of these documents on the Company's and Bursa Securities' websites.

The Board regards the general meeting as a principal forum for dialogue and interaction with shareholders. As such, at every general meeting, shareholders are encouraged to participate in the Question and Answer ("Q&A") session wherein the Directors, Senior Management as well as the Company's External Auditors are available to respond to the questions posted.

In accordance with the Company's Constitution, any shareholder may appoint up to a maximum of 2 proxies to attend and vote on his or her behalf in any general meeting. The proxy need not be a member of the Company.

All the resolutions set out in the notice of general meeting will be put to vote by poll. During the meeting, the Non-Executive Chairman will invite shareholders to raise questions pertaining to the proposed resolution before putting the motion to vote by poll.

Before the commencement of poll voting, the Company Secretary will brief shareholders on the poll voting procedures. An independent scrutineer will be appointed to undertake the polling and vote counting verification whilst the Company's Share Registrar will be the polling administrator.

The Company Secretary will announce the results of the poll and the outcome of the general meeting to Bursa Securities via the Bursa LINK and the said announcement can also be accessed via the Company's website (www.tambunindah.com).

Annual General Meeting

The Company held its 15th AGM physically on 21 June 2023.

At the commencement of the 15th AGM, the Managing Director presented the Group's performance and future plan to the shareholders and this had enabled them to share feedbacks and post questions relating to the Company's prospects during the meeting.

Before the proposed resolutions of the 15th AGM were put to the vote by poll, the Non-Executive Chairman invited shareholders to raise questions relating to the proposed resolutions which the Board and Senior Management were present to respond to any questions from the shareholders. The Company's External Auditors were also present to address issues relating to the audits and the auditors' reports.

The minutes of the 15th AGM was made available on the Company's website within 30 days from the said meeting.

This statement was approved by the Board on 15 April 2024.