

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0303
COMPANY NAME : ALPHA IVF GROUP BERHAD
FINANCIAL YEAR : May 31, 2024

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Intended Outcome

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

Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors ("Board") of Alpha IVF Group Berhad ("Alpha IVF" or "Company") met with representatives from Management on a quarterly basis where Management reported on the performance and results of the business of the Company and the Group (referred to Alpha IVF and subsidiaries, collectively) which are benchmarked against the previous year in order for the Board to monitor and assess the performance of the Company and to achieve the Company's vision. The Board has established clear functions reserved for the Board as outlined in the Board Charter, as well as the functions, duties and responsibilities specifically delegated to the Management.</p> <p>The Board is ultimately responsible for the direction and control of the Company and the Group as well as the overall business framework within which the Group operates. The Board is responsible for providing leadership and stewardship over the management and operations of the Group and these include establishing and setting the goals and strategic directions of the Company and the Group that will ensure its long-term sustainability and resilience.</p> <p>In order to effectively carry out its duties and responsibilities, the Board has set up three (3) Board Committees with specific delegated duties and responsibilities, namely the Audit and Risk Management Committee ("ARMC"), Nomination Committee ("NC") and Remuneration Committee ("RC"). The Board Committees are guided by their respective Terms of Reference ("TOR") approved by the Board. The Board Committees report to the Board on matters deliberated and their recommendations thereon.</p> <p>Management is responsible for the execution of activities to meet corporate plans as well as instituting various measures to ensure due compliance with various governing legislations. In addition, Management has the authority to deal with particular issues and</p>

	report to the Board with their respective recommendations and solutions.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Dato' Dr. Tan Kee Kwong is the Independent Non-Executive Chairman of the Board. His profile is outlined under the Profile of Directors in the Annual Report 2024. He provides leadership and governance on the Board in discharging responsibilities for the business and affairs of the Group and its oversight of Management to create a conducive environment geared towards building and strengthening Directors' oversight and effectiveness with a focus on strategy, governance and compliance.</p> <p>The Chairman ensures that no member dominates the discussion and that appropriate issues are discussed by the Board in a timely and congenial manner. The Chairman also encourages active participation from the Board members during Board meetings. Additionally, the Chairman also ensures that all Board resolutions are put to vote with the will of the majority to prevail. Details of the roles and responsibilities of the Chairman are spelt out in the Board Charter.</p> <p>The roles and responsibilities of the Chairman of the Board are stated in the Board Charter which is published on the Company's website at www.alphaivfgroup.com .</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.3

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The positions of the Chairman and CEO/ Group Managing Director ("Group MD") are held by different individuals not only to promote accountability within the Company but also to further provide for organisational check and balance for better corporate governance. There is a clear and separate division of responsibility in the roles and duties of the Chairman and CEO/ Group MD.</p> <p>The Chairman is responsible for leading the Board in discharging the Board's role in all aspects effectively, whereas the Group MD lead the Management team and oversee day-to-day operational management of the Group. The Executive Directors also oversee the daily conduct of operating units, human resource management with respect to key positions in the Group's hierarchy, financial management and business affairs as well as organisational effectiveness and implementation of Board policies and decisions.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
Application	:	Applied
Explanation on application of the practice	:	The independent Chairman, Dato' Dr. Tan Kee Kwong, is not a member of the ARMC, NC and RC of the Company.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company Secretary is a member of the Malaysian Institute of Chartered Secretaries (MAICSA) and is qualified to act as a Company Secretary under Section 235 of the Companies Act 2016. The Company Secretary advises the Board on any updates relating to new statutory and regulatory requirements pertaining to the duties and responsibilities of Directors and the potential impact and implications arising therefrom. The Company Secretary also provides regular updates to the Board on good governance, board policies and procedures, administrative matters and corporate compliances.</p> <p>The Company Secretary, or her assistant, is present at all meetings to record deliberation, issues discussed and conclusions in discharging her duties and responsibilities and also providing advice in relation to relevant guides and legislations.</p> <p>The duties of the Company Secretary include, among others, the preparation of agendas and co-ordinating the preparation of Board papers, ensuring Board procedures and applicable rules are observed, maintaining records of the Board and ensuring effective management of the Group's records, preparing minutes to document Board proceedings and ensuring conclusions are accurately recorded and timely dissemination of information relevant to Directors' roles and functions.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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

Application	:	Applied	
Explanation on application of the practice	:	<p>Prior to each Board meeting, all Board members are furnished with an agenda and a set of board papers which are issued in sufficient time to enable them to obtain a comprehensive understanding of the issues to be deliberated upon in order to arrive at an effective decision-making.</p> <p>Minutes are prepared for all Board and Board Committees' proceedings, circulated to the Board and/or Board Committee Members for review, and will be confirmed and signed by the respective Chairman. The minutes will then be tabled at the subsequent meetings for notation.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has established a Board Charter which clearly delineates the roles, duties and responsibilities of the Board, Board Committees, Directors and Management in order to provide structured guidance regarding their responsibilities, duties, roles, functions and powers.</p> <p>The Board Charter is reviewed periodically to ensure it remains relevant in aiding the Board to discharge its duties and responsibilities in compliance with the law and regulations that may arise from time to time.</p> <p>Salient features of the Board Charter are available on the Company’s website at www.alphaivfgroup.com. The Board Charter and TORs and other policies will be reviewed from time to time to ensure their relevance.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has adopted a Code of Conduct and Ethics ("Code") which is to instil and promote a corporate culture among Directors, Management and employees of the Group, which engenders ethical behaviour to permeate throughout the Group.</p> <p>The Code sets out broad standards to guide our Directors, Management and employees to carry out their duties and responsibilities in an ethical manner covering various elements from, amongst others, human rights, health, safety and environmental care, gifts and prevention of corruption, professional conduct, confidentiality, conflict of interest, harassment and abusive language, and use of company's assets and resources.</p> <p>The Code is published on the corporate website at www.alphaivfgroup.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has formalised and adopted a Whistleblowing Policy to enhance corporate governance standards across the Group. The Whistleblowing Policy sets out the mechanism and framework by which employees or any third parties can confidently raise concerns or complaints in a responsible manner without the fear of retaliation, harassment, or discriminatory treatment. All malpractices or wrongdoings shall be reported by the whistleblower and are to be directed to the Chairman of the ARMC and/or the Chairman of the Board to enable prompt corrective action to be taken where appropriate.</p> <p>The Whistleblowing Policy is published on the corporate website at www.alphaivfgroup.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied	
Explanation on application of the practice	:	The Board acknowledges the importance of sustainable development and that it forms an integral part of the Group's pursuit of its long-term business strategies and plans. The Board holds ultimate responsibility for integrating sustainability into the Company's strategic planning, which includes reviewing and establishing sustainability strategies, priorities and targets.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is aware of the importance of business sustainability and continuously reviews its operations which affect the sustainability of environment, social and governance aspects of its business on a regular basis. The Board recognises the importance of consistent communication with stakeholders to promote long-term sustainability of the Group’s business and ultimately deliver sustainable value to stakeholders.</p> <p>The Group is committed to continuous efforts to strike a balance between its sustainability agenda and other stakeholders’ interests. The sustainability efforts are set out and elaborated in the Sustainability Statement of the Annual Report 2024.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	The Board has sufficient understanding and knowledge of the sustainability matters that are relevant to the Group and its business in order to discharge its role effectively. The Board is committed to staying abreast with the latest developments on the relevant sustainability matters to the Group. The Board is updated with the latest enhancement on sustainability matters via news, media, and attending trainings or seminars.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company’s material sustainability risks and opportunities.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company was listed on the ACE Market of Bursa Malaysia Securities Berhad (“ Bursa Securities ”) on 22 March 2024, nevertheless, the Board had conducted the Board Evaluation Assessment for the financial year ended 31 May 2024. The Board, through the NC, also assesses the senior management on an ongoing basis. The Board will further enhance the assessment by including the scope of material sustainability risks and opportunities in the coming financial year.	
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 4.5- Step Up

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

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Adopted
Explanation on adoption of the practice	:	The CEO/ Group MD leads the Sustainability Management Working Group in ensuring the Group's commitment to sustainability is carried out and updating the Board on sustainability initiatives implemented under the purview of the Sustainability Policy.

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board through the NC reviews the composition and size of the Board annually to ensure that the Board has the optimum size, diversity, tenure, age, expertise, independence, skills and experiences to drive the Company’s business objectives and strategic goals. The NC oversees the assessment of the suitability of a candidate, as guided by the Fit and Proper Policy, before recommending the candidate to the Board for appointment.</p> <p>In evaluating the suitability of candidates, the NC considers, inter-alia, the character, experience, integrity, commitment, competency and qualification of the candidates. In the case of a nominee for the position of Independent Non-Executive Directors (“INED”), to evaluate the nominee’s ability to discharge such responsibilities/functions as expected from INEDs.</p> <p>The NC also reviews the performance of directors who are seeking re-election based on their competencies, preparedness and contributions.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Applied	
Explanation on application of the practice	:	<p>The current Board is comprised of Six (6) members; two (2) EDs and four (4) INEDs.</p> <p>The current Board comprises a majority of INED which represents 66.67% of the Board, well in excess of the composition recommended for which INEDs are to comprise half (50%) of the Board members. The present composition puts the Board in compliance with recommendations for Large Companies.</p> <p>The Board composition is also in compliance with paragraph 15.02 of the ACE Market Listing Requirements (“AMLR”) which requires at least two (2) Directors or one-third of the Board of the Company, whichever is the higher, are INEDs.</p> <p>The current composition of all Board Committees, made up of solely INEDs affirmed the Board’s commitment towards independence and provided strong check and balance in the Board’s governance function.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied	
Explanation on application of the practice	:	The Board is cognisant that the tenure of an Independent Non-Executive Director shall not exceed a cumulative term of nine (9) years. Accordingly, the Company has adopted Step Up Practice 5.4.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
Application	: Adopted
Explanation on adoption of the practice	: The Board limits the tenure of its Independent Directors to nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Non-Executive Director. Based on the Board Charter of the Company, if the Board intends to retain an Independent Director beyond nine (9) years, the Board should seek annual shareholders' approval through a two-tier voting process in accordance with the MCGG.

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board supports diversity on the Board and in key senior management. In assessing the suitability of candidates to the Board and key senior management, consideration will be given based on core competencies, commitment, contribution and performance of the candidates to ensure that there is a range of professional knowledge, skills, experience and diversity.</p> <p>The Directors, with their diverse background and professional specialisation, collectively, bring with them a wealth of experience and expertise in areas ranging from general management and operations, finance and accounting, corporate restructuring, sales and marketing, business, tax, and product development to law.</p> <p>The NC, guided by its TOR and Fit and Proper Policy, is responsible for leading the nomination process for a new candidate's appointment and making the necessary recommendations to the Board for approval. The TOR of NC is published on the corporate website at www.alphaivfgroup.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NC is responsible for leading the process for Board appointments by identifying and recommending suitably qualified candidates for the Board's consideration. The NC will conduct a thorough review or headhunt to ensure the candidates meet the necessary requirements and qualifications in order to achieve a balanced composition of the Board.</p> <p>The detailed profiles of the nominated Directors will be evaluated and presented to the Board by the NC to assist the Board in making selection decisions.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.7

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

Application	:	Applied	
Explanation on application of the practice	:	Profile of the directors including details of any interest, position, relationship, age, gender, working experience and background are disclosed in the Annual Report and also published on the Company's corporate website at www.alphaivfgroup.com . The retiring directors are identified and shared with shareholders via the Notice of Annual General Meeting ("AGM").	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The TOR of the NC specifies that the Chairman must be an Independent Director.</p> <p>The present Chairman of the NC is Datuk Lee Say Tshin, who is an INED of the Company. His profile is outlined in the Annual Report 2024.</p> <p>The NC would meet at least once (1) annually with additional meetings convened on as and when needed basis. The TOR of the NC, which spells out its duties and responsibilities, is published on the corporate website at www.alphaivfgroup.com.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Currently, our Board has one (1) woman director out of six (6) Directors, representing 16.67% of the Board.	
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	The Board is working towards achieving the target of having 30% female directors and is seeking for a second suitable woman director.	
Timeframe	:	Within 2 years	

Intended Outcome

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

Practice 5.10

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

Application	:	Applied	
Explanation on application of the practice	:	As disclosed in the Annual Report 2024.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The NC undertakes an annual assessment of the effectiveness of the Board, the Board Committees and the contribution of each individual Director on an annual basis. The INEDs are also assessed annually by the NC on behalf of the Board. Following assessments carried out for FYE 2024, the Board is satisfied with the level of independence demonstrated by the INEDs and their ability to provide unbiased impartial and objective opinions during meeting and act in the best interest of the Company.</p> <p>All assessments and evaluations carried out by the NC in the discharge of all its duties and functions are documented. The evaluation is based on self-assessment. All Directors are provided with the same set of assessment forms for their completion. The results of all assessments and comments are summarised and tabled at the NC meeting. The Chairman of the NC will then report the results and deliberation to the Board.</p> <p>The criteria used in the assessment of the Board and the Board Committees focused on composition, quality of information and decision-making, boardroom activities, board's relationship with Management and Board Committees. The assessment of individual directors is based on fit and proper, contribution and performance, calibre and personality, skills set and independence. The assessment in respect of FYE 2024 was carried out with the results deemed satisfactory by the Board.</p> <p>The Directors who are subject to re-election at the next AGM is assessed by the NC based on the annual assessment conducted before a recommendation is made to the Board and the shareholders for re-election.</p> <p>The Board is satisfied with the time commitment given by the Directors based on the full attendance by a majority of all Directors at all meetings convened in FYE 2024 and has complied with</p>

	<p>paragraph 15.05 of the AMLR. In addition, all of the Directors do not hold more than 5 directorships as required under paragraph 15.06 of the AMLR. The Board members will notify the Board or the Chairman upon acceptance of new Directorship in other public listed companies.</p> <p>The Board recognises the importance of continuous trainings to enhance their knowledge, expertise and professionalism in discharging their duties and responsibilities.</p> <p>The Directors have attended various seminars and training programmes necessary to enhance and keep abreast with relevant changes, developments and updates affecting industries that the Group operates in as well as regulatory requirements on audit, financial management, tax and laws.</p> <p>The Directors are regularly updated by the Company Secretary on any changes to the latest statutory, corporate and regulatory developments relating to the Directors' duties and responsibilities or the discharge of their duties as Directors of the Company.</p>	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group has remuneration policies and procedures to attract and retain highly qualified individuals to serve on the Board and key senior management.</p> <p>In the case of the Executive Directors, the components of the remuneration package are linked to individual and corporate performance, while the level of remuneration for INEDs is reflective of their experience, roles and responsibilities as well as the time commitment to the Group.</p> <p>The Directors’ fees and benefits payable to the INEDs are reviewed annually. The Executive Directors played no part in deciding their own remuneration and the respective Board members abstained from participating in deliberations and decisions regarding their individual remuneration.</p> <p>The RC met once to review and recommend the remuneration package for the Executive Directors and key senior management as well as non-Executive Directors’ fees and benefits payable to the Board. The remuneration was aligned with the business strategy and long-term objectives and reflects the respective Directors’ responsibilities, expertise and complexity of the Group’s business activities.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied	
Explanation on application of the practice	:	The RC, which comprises of solely INEDs, is responsible for setting the framework and making recommendations to the Board on matters concerning the general remuneration policy of Directors and key senior management. The TOR of the RC is available on the corporate website at www.alphaivfgroup.com .	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The remuneration received / receivable by the Directors of the Company during FYE 2024 is as tabulated in the following table.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	DATO' DR TAN KEE KWONG	Independent Director	14,000	9,000	-	-	-	-	23,000	36,000	9,000	-	-	-	-	23,000
2	DATUK LEE SAY TSHIN	Independent Director	11,000	9,000	-	-	-	-	20,000	11,000	9,000	-	-	-	-	20,000
3	SIA BEE KENG	Independent Director	11,000	9,000	-	-	-	-	20,000	11,000	9,000	-	-	-	-	20,000
4	TUNG FOOK HENG	Independent Director	13,000	9,000	-	-	-	-	22,000	13,000	9,000	-	-	-	-	22,000
5	DATO' DR LEE SOON SOO	Executive Director	-	-	405,000	-	-	49,000	454,000	-	-	1,565,000	-	-	270,000	1,835,000
6	DR NG PENG WAH	Executive Director	-	-	-	-	-	-	-	-	-	240,000	-	-	10,000	250,000
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Departure																											
Explanation on application of the practice	:																												
Explanation for departure	:	<p>The Board is of the view that the disclosure of the key senior management personnel's names and various remuneration components (salary, bonus, benefits-in-kind, and other emoluments) would not be in the best interest of the Group due to the intense competition for talent in the industry.</p> <p>However, the aggregate remuneration on an unnamed basis in the bands of RM50,000 of the key senior management suffices as set out as follows:-</p> <table border="1" data-bbox="555 1205 1407 1487"> <thead> <tr> <th rowspan="2">Range of remuneration</th> <th colspan="3">Group</th> </tr> <tr> <th colspan="3">Number of key senior management</th> </tr> </thead> <tbody> <tr> <td>RM50,001 - RM100,000</td> <td colspan="3">1</td> </tr> <tr> <td>RM100,001 – RM150,000</td> <td colspan="3">1</td> </tr> <tr> <td>RM250,001 - RM300,000</td> <td colspan="3">2</td> </tr> <tr> <td>RM300,001 - RM350,000</td> <td colspan="3">1</td> </tr> <tr> <td>RM550,001 - RM600,000</td> <td colspan="3">1</td> </tr> </tbody> </table> <p>The Board will review the above situation annually to ensure that the remuneration of the key senior management commensurate with the level of responsibilities, experience, expertise, skills, individual performance and the overall performance of the Group.</p>	Range of remuneration	Group			Number of key senior management			RM50,001 - RM100,000	1			RM100,001 – RM150,000	1			RM250,001 - RM300,000	2			RM300,001 - RM350,000	1			RM550,001 - RM600,000	1		
Range of remuneration	Group																												
	Number of key senior management																												
RM50,001 - RM100,000	1																												
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RM250,001 - RM300,000	2																												
RM300,001 - RM350,000	1																												
RM550,001 - RM600,000	1																												
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																													
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.																											
Timeframe	:	Choose an item.																											

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

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

Practice 8.3 - Step Up

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

The Chairman of the Audit Committee is not the Chairman of the board.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Chairman of the ARMC is not the Chairman of the Board. The Chairman of the ARMC is Mr. Tung Fook Heng, while the Chairman of the Board is Dato' Dr. Tan Kee Kwong.</p> <p>Details on the composition, TOR and other pertinent facts of the ARMC is outlined under the ARMC Report in the Annual Report 2024.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	None of the members of the Board were former key audit partners. Hence, no former key audit partner is appointed to the ARMC. The Board will observe the prescribed cooling-off period of at least three (3) years in the event any potential candidate to be appointed as a member of the ARMC is a former key audit partner.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The ARMC is responsible for carrying out an annual review of the performance of the External Auditors, including an assessment of suitability, objectivity and independence. The Group has adopted an External Auditors Assessment Policy regarding this matter. Upon satisfaction with the performance of the external auditors based on the annual assessment conducted, ARMC has recommended to the Board for the re-appointment of the external auditors at the forthcoming AGM.</p> <p>At least once a year and whenever necessary, the ARMC met with the External Auditors without the presence of executive Board members or management personnel, to allow the ARMC and the External Auditors to exchange independent views on matters which require the ARMC's attention. Before the commencement of the current financial year audit, the ARMC has reviewed and deliberated with the External Auditors on their Audit Planning Memorandum, covering the audit risk areas, approach, emphasis and timeline. The External Auditors have confirmed to the ARMC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the professional and regulatory requirements.</p> <p>The ARMC has reviewed the scope of the non-audit services provided by the External Auditors during FYE 2024 and concluded that the provision of these services did not compromise the External Auditors' independence and objectivity. The amount of fees paid for these services was not significant when compared to the total fees paid to the External Auditors. Details of the fees paid to the External Auditors and its affiliates are disclosed under Additional Compliance Information in the Annual Report 2024.</p> <p>A summary of activities of the ARMC during the financial period under review is set out in the ARMC Report in the Annual Report 2024.</p>
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The ARMC comprises of three (3) members, all of whom are INEDs.</p> <p>The ARMC's independent composition is part of the Board's initiative for more independence and transparency in deliberation and decision-making.</p>

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The ARMC members possess relevant qualifications and professional experience in financial, taxation, audit, risk management as well as business administration. All members are financially literate and are able to read, interpret and understand the financial statements.</p> <p>The diverse skills set and financial literacy of the ARMC enabled them to effectively discharge their roles and responsibilities. All ARMC members have also undertaken and will continue to undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules as and when required.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board confirms that the risk management process and internal control system are operating adequately and satisfactorily in all material aspects to meet the business objectives of the Group for the financial year under review.</p> <p>The Statement on Risk Management and Internal Controls ("SORMIC") in the Annual Report 2024 provides an overview on the state of internal controls and risk management within the Group.</p> <p>Regular reviews would be carried out by the internal audit function to identify, evaluate, monitor and manage significant risks affecting the business and ensure that adequate and effective controls are in place. The findings of the internal audit function will be reported to the ARMC regularly.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is aware of its responsibilities over the Group's internal control and risk management in key areas such as financial information, organisational, operational and compliance controls.</p> <p>The Board further affirms its overall responsibility for risk oversight and the Group's systems of internal control and for reviewing the adequacy, effectiveness and efficiency of these systems for applicable laws, regulations, rules, directives and guidelines to ensure its viability and robustness.</p> <p>The Board, through the ARMC, will continue to monitor all risks affecting the Group and take necessary measures to mitigate them and to enhance the effectiveness of the risk management and internal control system of the Group.</p> <p>The Board has obtained assurances from the GMD and Group Chief Financial Officer that to the best of their knowledge, information and belief, the Group's systems of risk management and internal control are operating adequately and effectively, in all material aspects, during the period under review. The Board continues to review and implement measures to strengthen the internal control environment of the Group.</p> <p>The Board is supported by the ARMC to monitor the integrity of the accounting and financial reporting for the Group. The key roles and responsibilities of the ARMC in relation to risk management are set out in its TOR.</p> <p>Based on the internal auditors' report and the Risk Management Report for FYE 2024, the Board has reasonable assurance that the Group's system of risk management and internal control is generally adequate and appears to be working satisfactorily for the financial year under review and up to the date of issuance of this Statement.</p> <p>The SORMIC in the Annual Report 2024 provides an overview of the state of internal controls and risk management within the Group.</p>

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

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The ARMC oversees the effectiveness and adequacy of the Group's risk management framework and policies.</p> <p>The risk oversight responsibility has always been within the purview of the ARMC which is responsible for reviewing policies and framework on risk management for implementation within the Group. The ARMC is also responsible for reviewing the corporate risk profile for the Group.</p>

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The internal audit function of the Group is independent of the operations of the Group and is carried out by an outsourced and competent consulting firm, namely, Sterling Business Alignment Consulting Sdn. Bhd. ("Sterling").</p> <p>Sterling assists the ARMC and the Board in managing the risks and establishment of the internal control system and processes within the Group by providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's risk management and internal control system and processes. The internal auditors report directly to the ARMC.</p> <p>The internal auditors have and will continue to keep abreast with developments in the profession, relevant industry and regulations. The internal audit function is independent of the operations of the Group and provides reasonable assurance that the Company's system of internal control is satisfactory and operating effectively. Further details of the internal audit function are set out in the SORMIC in the Annual Report 2024.</p> <p>The activities of the internal auditors during FYE 2024 are set out in the ARMC Report in the Annual Report 2024.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company was listed on the ACE Market of Bursa Securities on 22 March 2024 and had appointed an independent consulting firm, Sterling to assist the ARMC in discharging the internal audit function after the listing.</p> <p>Sterling and its personnel are not related to any of the Directors of the Group and have no conflict of interest with the Group. Two (2) to four (4) internal auditors are assigned to carry out internal audit function of the Group.</p> <p>Dr. So Hsien Ying is the Principal Consultant of Sterling who is responsible for the internal audit of the Group. She has more than 29 years of experience in corporate planning, business process improvement, risk management, internal audit and internal control review. She is a Doctor in Business Administration (Wales), a Master in Business Administration (Finance) (Hull), a BSc Economics (Hons) (London), a Certified Internal Control Professional (US), a permanent member of the Internal Control Institute (US), an associate member of the Institute of Internal Auditors Malaysia and a member of the Malaysian Alliance of Corporate Directors.</p> <p>Ms. Yap Sau Peng, an internal auditor of Sterling assigned to carry out the internal audit of the Group, is a Certified Internal Auditor (CIA), a member of the Malaysian Institute of Accountants (MIA), a Professional Member of The Institute Internal Auditors Malaysia (CMIIA), and a Master of Business Administration. She has more than 20 years of experience in business process improvement, internal control review, internal audit and risk management.</p> <p>The internal auditors adopt a risk-based approach towards the planning and conduct of their audits, and this is consistent with the Group's approach in designing, implementing and monitoring its internal control system.</p>

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

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the value of transparent, accurate and coherent communications with the shareholders in consistent with commercial confidentiality and regulatory considerations. The Group aims to build long-term relationships with shareholders and potential investors through appropriate channels for information disclosure.</p> <p>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. Investors are provided with sufficient business, operational and financial information on the Group while enabling them to make informed investment decisions.</p> <p>All material announcements are reviewed and endorsed by the ARMC (as applicable) and the Board prior to release to the public through Bursa Securities.</p> <p>The Executive Directors serve as the designated spokespersons for all matters related to the Group, while dedicated personnel are tasked with preparing and verifying material information for timely disclosure upon approval by the Board.</p> <p>The Group maintains a corporate website at www.alphaivfgroup.com for shareholders and the public to access information on, amongst others, the Group's background and products, financial performance and updates on its awards recognitions and promotions. Stakeholders can at any time seek clarification or raise queries through the corporate website, by email at IR@alphaivfgroup.com.</p>
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board is committed to ensuring that the Notice of AGM is circulated to the shareholders at least 28 days prior to the date of the AGM.</p> <p>The Company was listed on the ACE Market of Bursa Securities on 22 March 2024, the forthcoming 2nd AGM will be the first AGM to be held by the Company after listing on Bursa Securities.</p> <p>The Notice of the forthcoming 2nd AGM scheduled on 29 October 2024 will be sent 28 days prior to the meeting date.</p> <p>Shareholders will have sufficient time to prepare and consider the resolutions that will be discussed and decided at the AGM and will be able to make informed decisions when exercising their voting rights at the AGM.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>All Directors will endeavour to attend the 2nd AGM to answer any such questions that may arise as shareholders may seek more information than what is available in the Annual Report and/or circulars.</p> <p>In addition, certain other Senior Management members, the External Auditors and Sponsor, as appropriate will be present at the AGM to supplement discussions and provide greater clarity and context where necessary.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The forthcoming 2nd AGM will be held at an easily accessible venue to encourage high shareholders' attendance. The Board opines that physical face-to-face meeting will allow more efficient interaction among the shareholders, Management and the Directors.</p> <p>The Board will adhere to the call by the Securities Commission Malaysia and Bursa Securities about having all public listed companies on Bursa Securities must hold hybrid or physical general meetings from 1 March 2025. In the event that a hybrid meeting cannot be avoided, the Board will engage the reputable professional online AGM platform provider which could provide written assurance on good cyber hygiene practices.</p> <p>As such, the concern over voting in absentia and/or remote shareholders' participation at AGM is not applicable. As of now, the Company encourages participation of shareholders through the issuance of proxies when there is indication that shareholders are unable to attend and vote in person at general meetings. In the event shareholders are unable to attend general meetings, they may appoint proxies to attend, speak and vote on their behalf at the general meetings.</p> <p>Please provide an alternative practice and explain how the alternative practice meets the intended outcome.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application :	Applied
Explanation on application of the practice :	At the forthcoming 2 nd AGM to be held on 29 October 2024, being the first general meeting to be held after the successful listing of and quotation for the Company's ordinary shares on the ACE Market of Bursa Securities, shareholders will be given the opportunity to pose questions regarding the resolutions being proposed before voting as well as matters relating to the Group's operations.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application :	Not applicable – only physical general meetings were conducted in the financial year
Explanation on application of the practice :	
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Departure
Explanation on application of the practice	:
Explanation for departure	: The Board will ensure that the minutes of the forthcoming 2 nd AGM, being the first general meeting to be held after the successful listing of and quotation for the Company's ordinary shares on the ACE Market of Bursa Securities, be uploaded to the Company's website within thirty (30) business days from the 2 nd AGM.
	Please provide an alternative practice and explain how the alternative practice meets the intended outcome.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	: Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	: Choose an item.

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

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

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