CORPORATE GOVERNANCE REPORT

STOCK CODE	**:**	7412
COMPANY NAME	**:**	SHH Resources Holdings Berhad
FINANCIAL YEAR	**:**	30 June 2026

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE
Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia ListingRequirements.

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 Exchangethat 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 ListingRequirements.

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	:	The Board is responsible for the performance and affairs of the Group and the provision of leadership and guidance for setting the strategic direction to ensure the long-term success and sustainability of the Group. The Board has adopted a Board Charter which sets out the composition, roles and responsibilities, leadership, delegation, and conduct and procedures of the Board and the management to ensure performance and accountability. The Executive Directors work with the Management team to develop and review the corporate strategies, operational plans and targets for the Group. They are responsible for the execution of the functions to attain the desired corporate and business targets as set by the Board in a sustainable manner. The Management team, who themselves are responsible for certain specific areas of the Group's operations, assesses business opportunities and threats and, where appropriate, develop strategies to capitalise on such opportunities and put in place risk management and internal control practices to mitigate risks inherent in or associated with such opportunities. The Board has established and is supported by the following Board Committees which consist of Independent Non-Executive Directors to provide independent oversights on management and to ensure that there are appropriate checks and balances while discharging its oversight function:- - Audit Committee - Remuneration Committee - Nominating Committee - Risk Management Committee Each of the Board Committee operates within its respective terms of reference ("ToR") that also outlines its respective functions and authorities. The ToR of the respective Board Committee are periodically reviewed by the Board Committee and approved by the Board to ensure that the ToR remains relevant and adequate. The Board is also committed to conducting business in accordance with the highest standards of business ethics and complying with applicable laws,

	rules and regulations. The Group's Code of Ethics and Conduct, together with the Employees Handbook and Anti-Bribery and Corruption Policy guide the Directors, management and employees with regard to policies and ethics standards to be adhere to in the conduct of the daily affairs and businesses of the Group. The Board is also mindful of the importance of business sustainability, stakeholder inclusivity and sound values of good corporate governance in the conduct of the Group's activities. The Board believes in striking a balance between achieving operational profitability whilst simultaneously managing sustainability-related risks in the areas of economic, environmental and social to create long-term value for our stakeholders including the society. The Group's sustainability efforts encompass identification, assessment, prioritisation, management and reporting of the Group's material sustainability matters as described in the Company's Sustainability Statement contained in the Company's 2026 Annual Report. The Board has adopted a Whistleblowing Policy for the Group where all queries or concerns regarding the Group may be convey to the Senior Independent Director or the Company Secretary at the registered office of the Company. The Board Charter, Code of Ethics and Conduct and Whistleblowing Policy are subject to periodical review to ensure consistency with the Board's strategic intent as well as relevant new regulations and standards of corporate governance that may have an impact in discharging the Board's responsibilities. Details of the Board Charter, Code of Ethics and Conduct, Anti-Bribery and Corruption Policy and Whistleblowing Policy can be found on the Company's website at www.shh.com.my.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 1.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Executive Chairman of the Company, Ts Dr Nazry bin Yahya is a Non-Independent Executive Director of the Company. He was appointed to the Board on 7 July 2026. The Executive Chairman works along with the 2 Executive Directors of the Company to strengthen its leadership, direction and supervision of the day-to-day management of Group. In addition to the above, the Executive Chairman is also responsible for ensuring the effective conduct of the Board including the efficient organisation of the Board's function and meetings; fostering good relationship and communication amongst board members, effective communication with shareholders and relevant stakeholders; and ensure that board committees are duly established, composed and function effectively in accordance with their respective terms of references. The roles and responsibilities of the Chairman of the Board is set out in the Board Charter which is available on the Company's website at www.shh.com.my.	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.3

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Executive Chairman of the Company, Ts Dr Nazry bin Yahya is a Non-Independent, Executive Director of the Company. The Executive Chairman, together with the Executive Directors of the Company are responsible for setting the direction, developing corporate strategies, operational plans and targets and monitoring the execution of the functions of the Group to attain the desired corporate and business outcomes as set by the Board. Given the inherit role of the Board's Chairman position, the Executive Chairman is also responsible for ensuring the effective conduct of the Board including the efficient organisation and conduct of the Board's function and meetings; fostering good relationship and communication amongst board members, effective communication with shareholders and relevant stakeholders; and and ensure that board committees are duly established, composed and function effectively in accordance with their respective terms of references. The roles and responsibilities of the Executives Directors and Independent Non-Executive Directors as contained in the Board Charter are clearly separated to ensure that there is a balance of power and authority between the Executive and Independent Non-Executive Directors.
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.		
Application :	Applied	
Explanation on application of the practice :	The Chairman is not a member of any board committee.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 1.5

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	:	The Company Secretaries of the Company comprise one (1) company secretary who is member of the Chartered Secretaries Malaysia (MAICSA) and one (1) company secretary licenced by the Companies Commission of Malaysia. The Company Secretaries advise the Board on any updates relating to their duties and responsibilities as directors; corporate governance and compliance with Listing Requirements. The Company Secretaries are responsible to ensure the proper conduct of the meetings according to the rules and regulations. They also ensure that the Board's deliberations at meetings are properly minuted. Board and board committee members have access to the advice and services of the Company Secretaries, management representatives and, if deemed necessary, other independent professionals at the expense of the Company in the discharge of their duties. The Company Secretaries have attended the necessary training programmes, conferences, seminars and/or forums organised by the Companies Commission of Malaysia, MAICSA, to keep themselves abreast with the latest changes in laws and regulatory requirements that are relevant to their profession and to provide the necessary advisory role to the Board.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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	:	All Board and board committee members are provided with the requisite notices, agenda and board papers as soon as practical before the convening of each meeting. The Board members are given time to review and, where necessary, obtain additional information or clarification prior to or during the meeting to ensure effectiveness of the proceeding of the meeting. The Company Secretaries also prepare the Board/Board Committees meeting minutes, properly recording issues deliberated and decisions and conclusions are arrived at, as well as dissenting views or abstention by any Director, if any. The minutes of meetings are timely circulated and subsequently confirmed by the members of the Board and board committee(s) at the next meeting.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

There is demarcation of responsibilities between the board, board committees andmanagement.

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	The Company's Board Charter was first adopted by the Company on 30 November 2015. The Board Charter sets out the respective roles and responsibilities of the Board as a whole, Board Committees, the Chairman, Executive Directors and Non-Executive Directors as well as the list of matters and issues reserved for the Board. The Board reviews the Board Charter periodically so as to be in line with the Companies Act 2016, requirements of the Malaysian Code on Corporate Governance 2021 and amendments to the Main Market Listing Requirements of Bursa Securities. The Board Chartered was last reviewed in September 2023. The Board Charter is available on the Company's website at www.shh.com.my
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	The Group has established and adopted a Code of Ethics and Conduct covering core areas of conflicts of interest; confidential information; insider information and securities trading, protection of assets and funds; business records and control, compliance to the Law, gifts, gratuities and bribes; workplace health and safety, sexual harassment; outside interest, discriminations and misconducts. The Group has in June 2020 adopted an Anti-Bribery and Corruption Policy in line with Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act, 2009 (Amendment 2018) to further clarify the standards of ethics and conduct acceptable by the Group when dealing with external stakeholders. The purpose of the Code of Ethics and Conduct and Anti-Bribery and Corruption Policy is to ensure that all employees and Directors maintain and enforce the highest standards of ethics and conduct in the performance of their duties and responsibilities throughout the organisation. The Code of Ethics and Conduct and Anti-Bribery and Corruption Policy are available on the Company's website at www.shh.com.my. These policies were last reviewed in September 2023.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
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 consideredacceptable 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	:	The Company has established its Whistleblowing Policy. This policy and procedure aim to provide and facilitate a mechanism to enable staff and other members of the Group to voice concerns in a responsible and effective manner. This policy is designed to enable employees to raise concerns internally and at a high level and to disclose information which the individual believes shows malpractice or impropriety. This policy is intended to cover concerns which are in the public interest and may at least initially be investigated separately but might then lead to the invocation of other procedures e.g. disciplinary. Whistleblowers can report any improper conduct to the Senior Independent Director, Marissa Lee Sher May at marissalee@shh.com.my or the Company Secretary at the registered office of the Company. The Whistleblowing Policy is available on the Company's website at www.shh.com.my.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board is mindful of the importance of business sustainability. The Board believes in striking a balance between achieving operational profitability whilst simultaneously managing sustainability-related risks in the areas of economic, environmental and social to create long-term value for our stakeholders including the society. The Group has established a sustainability framework that incorporates environmental, social and governance considerations which are deemed material to the Group. The Board is assisted by the Risk Management Committee who is responsible for the establishment of effective framework, policies and procedures to address the sustainability of the Group's business. The Group's Management is responsible for the implementation of the sustainability management process which includes the identification, assessment, prioritisation, management and reporting of the Group's material sustainability matters. At present, the Group's sustainability efforts encompass key material sustainability matters relating to supply chain management and responsible sourcing, business ethics and corporate governance; occupational health and safety; labour standards and welfare; product safety and life-cycle; energy management and waste management; data privacy & security and workforce equal opportunity, diversity, inclusiveness and skills development.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.2

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

Application	:	Applied
Explanation on application of the practice	:	The Risk Management Committee is responsible for the setting up and implementation of the Group's sustainability policies and procedures. The sustainability framework, policies and procedures are shared with members of the Management who are responsible for the implementation of business strategies in compliance with these policies and procedures. The identification and assessment of the key material sustainability matters (MSMs), the strategies/action plans to manage prioritised MSMs, together with the relevant key performance indicators for monitoring performance are undertaken by the Management and results of these processes are presented to the Board for to their views and opinions. The sustainability strategies/action plans are then implemented and the key performance indicators are then measured, recorded and reported to the Risk Management Committee for performance monitoring and implementation of corrective or performance improvement actions. The implementation of the sustainability framework of the Group and the results of the performance indicators for the MSMs are reported annually in the Sustainability Statement contained in the Annual Report of the Company for consumption by internal and external stakeholders.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.3

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 :	Five (5) Directors attended Mandatory Accreditation Programme Part II : Leading for Impact (LIT) organised by Institute of Corporate Directors Malaysia which provide directors the foundation to address sustainability risks and opportunities. Two (2) remaining Directors will register for the Mandatory Accreditation Programme Part II : Leading for Impact (LIT) organised by Institute of Corporate Directors Malaysia in the current financial year ending 30 June 2027.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 4.4

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 Board via the Risk Management Committee has established a sustainability framework; undertaken sustainability risks and opportunities assessment; identified material sustainability matters; and monitors and report related sustainability performance indicators (KPIs) for priortised MSMs. This notwithstanding, the Group has yet to develop a formal sustainability KPIs targets nor linked the outcome or achievement of these KPIs as part of the evaluation of the Board and senior management performance. It the next phase of managing the Group's sustainability matters, the Risk Management Committee intends to establish formal sustainability key performance indicators (KPIs) targets for MSMs identified by the Company.	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5 – Step Up

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

Note: The explanation on adoption of this practice should include a brief description of the responsibility of the designated person and actions or measures undertaken pursuant to the role in the financial year.	
Application :	Not adopted.
Explanation on adoption of the practice :	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	As part of its annual review of the performance of the Board, the Nominating Committee assesses the composition of the Board to ensure that there is a balance of expertise and experience amongst its members. In the assessment of the composition of the Board, the Nominating Committee takes into consideration the skill mix, qualification, experience, professional background, age and gender representation vis-a-vis the role and responsibilities of the Board and the business in which the Group is in. The Nominating Committee takes into consideration the performance, contribution and tenure of Directors standing for re-election. The Nominating Committee will recommend the appointment of new member(s) onto the Board and/or Board Committees and replacement of directors who have resigned from the Board or Board Committee.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
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	:	The Board of Directors of the Company currently comprises seven (7) members of whom three (3) are Executive Directors and four (4) are Non-Executive Directors. All the four (4) Non-Executive Directors are independent. The Board had assessed the performance and independence of the independent directors and concluded that the current Board is able to exercise independent and objective judgement and act in the best interest of the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.			
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 :	Not applicable - No independent director(s) serving beyond 9 years	
Explanation on application of the practice :	At present, none of the independent directors have served the Board for more than nine (9) years. As part of the Board Charter, the Board has prescribed that all Independent Directors provide an annual confirmation of his/her independence to the Board based on its policy on criteria of assessing independence as prescribed by the Bursa Malaysia Listing Requirements. For independent directors who has served the Company for more than nine (9) years, the Board has in place a policy that it will seek annual shareholders' approval for the continuing in office of the director as an Independent Director. To retain an Independent Director after nine (9) years, the Board will seek annual shareholders' approval through a two-tier voting process at the Company's shareholders' meeting as follows: Tier 1: Only the large shareholder(s) of the Company votes; and Tier 2: Shareholders other than large shareholder(s) votes.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
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 (9) years without further extension.

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.		
Application	:	Not adopted.
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company does not have a formal set of criteria for the identification, evaluation and appointment of Directors and senior executives. The above notwithstanding, the Board has established a Nominating Committee which is responsible for identifying the need and evaluating the suitability and, if required, recommending the appointment of new member(s) onto the Board or Board Committees. The Nominating Committee takes into considerations the qualification, competence, experience, track record, other board membership, time commitment and potential conflict of interest situations in evaluating his/her suitability and recommending candidates for appointment to the Board.	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.			
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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Nominating Committee is responsible for identifying the need, evaluating the suitability and recommending the appointment of any new director. The Company did not use independent sources to identify candidates for its previous board appointments. Candidate(s) for new appointment shall be primarily identified and recommended by existing Directors and/or major shareholders. In the evaluation and appointment of new board member(s), Board and Nomination Committee are guided by the following process and procedures for the appointment of a new director:- • Evaluate the suitability of candidates for in accordance to his/her competency, experience, commitment, contribution and integrity of the candidates, and in the case of candidates proposed for appointment as Independent Non-Executive Directors, the candidate's independence; • Recommend the appointment of the candidate as a member and where necessary, Board Committees; and • Decision to be made by the Board on the appointment, including appointment to the Board Committee, where necessary.
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
Measure	:	Not adopted.
Timeframe	:	

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	The Board, vide the Nomination Committee ("NC"), had assessed the annual performance and attributes of the Board, Board Committees and individual Directors in respect of their effectiveness and contribution to the Company, based on a set of prescribed criteria which were approved by the Board. Based on this annual assessment conducted, the Board is of the view that the existing Board and each of its members have the requisite competence and capability to contribute to the needs of the Company and they had sufficiently demonstrated their commitment to the Group in terms of time and participation at meetings during the year under review. The retiring Directors have confirmed to the Board that they do not have any conflict of interest with any of the companies in the Group which may affect his/her ability to act in the best interest of the Company. Based on the recommendation of the NC, Board supports the re-election of these the Directors nominated for re-election at the forthcoming AGM. The details of candidate(s)/Directors(s) seeking appointment or reappointment as a member of the Board and/or Board Committees of the Company, namely details of educations, work experience and track record, industry expertise, participation or involvement in professional, trade and non-trade associations or societies, directorship in other public listed companies and family relationship with any substantial shareholders or other Directors of the Company are provided in the Company's Annual Report. In addition, the direct and indirect interests of the candidate(s)/Directors(s) in the Company and where applicable, the attendance of Directors at Board meetings are disclosed in the Statement Accompanying Notice of Annual General Meeting. Shareholders can rely on this information in the voting on the individual resolution for the election/re-election of each of the candidate/Director.
Explanation for departure	:	

Intended Outcome

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

Practice 5.7

Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
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	:	The Nomination Committee ("NC") of the Company currently comprises three (3) members, all whom are Independent Non-Executive Directors. The Chairman of the NC is Marissa Lee Sher May, an Independent Non-Executive Director. The ToR of the NC is available on the Company's website at www.shh.com.my.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
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 :	At present, 2 out of 7 representing 28.6% of the Board members are female. Ms Grace Khoo Ting Ting who is an Executive Director of the Company has more than 20 years of experience in financial management and administration of companies involved in the supply chain and logistic industries. Ms Marissa Lee Sher May is an Independent Non-Executive Directors who has a range of working experiences in finance, taxation and investment.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 5.10

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Company does not have formal gender diversity policy. This notwithstanding, the Board recognises the importance and benefits of gender diversity and takes this into consideration as one of the selection criteria for appointment of a member of the Board or senior management. The Company however maintains that competences, skills, experience and knowledge should remain a priority so as not to compromise on mix of capabilities, experience and qualification.
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
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.

Note: For a Large Company to qualify for adoption of this practice, it must undertake annual boardevaluation and engage an independent expert at least every three years to facilitate the evaluation.	
Application :	Applied
Explanation on application of the practice :	The NC is primarily responsible for an effective Board and the assessment of the performance of the members of the Board. The criteria used, amongst others, for the annual assessment of individual Directors include an assessment on their roles, responsibilities, qualification, competency, expertise and participation. For Board and Board Committees, the assessment will be based on their progress in implementing the policy and/or on achieving those objectives set in their respective terms of reference. In respect of the assessment for the financial year ended 30th June 2026, the Board, Board Committees and individual Directors conducted self-assessment based on the following criteria:- • Assessment of performance of individual Board members; Board Committees and the Board as a whole; • Assessment of experience, competence and time commitment of Board members; • Assessment on Board size, structure and balance in terms of skill and experience; and • Evaluation of level of independence of independent directors. The Nominating Committee was satisfied that the Board members and Board Committees have discharged their duties and responsibilities effectively. The Nominating Committee is also satisfied with the Board composition in terms of structure, size, the balance between Executive, Non-Executive and Independent Directors and diversity in terms of skills, experience knowledge and gender.
Explanation for departure :	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.	

Intended Outcome

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Group has a Remuneration Policy which primary objective is to attract, retain and motivate Directors and key senior management. The remuneration shall be based on terms that are market competitive and at the same time aligned with shareholders' interests. The remuneration of the Executive Directors and key senior management is made up of basic salaries, allowances, annual bonus and other benefits and are set according to:- • the nature of job; • the level of skills, experience and scope of responsibilities; • the performance, contribution and commitment devoted to the company; and • market and industry's rate. The remuneration of the Non-Executive Directors consists of directors' fees and allowances. The level of remuneration for the Non-Executive Directors must reflect:- • the qualification and experiences; and • the level of responsibilities and time commitment. Remuneration of the Executive Directors and key senior management shall be structured to link rewards to corporate and individual performance and shall take into consideration remuneration paid to them of other similar companies, whether in size and /or industry, the individual's performance and responsibility, market competitiveness as well as the Group's overall performance. Remuneration for the services of Non-Executive Directors shall be aligned with market terms, taking into consideration remuneration paid to directors of other similar companies, whether in size and/or industry, the individual's performance and responsibility, market competitiveness as well as the Group's overall performance.

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.

	The Remuneration Committee will periodically review the Remuneration Policy and recommend it for approval by the Board. The Remuneration Policy of the Company is available at the Company's website at www.shh.com.my.	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
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 is primarily responsible for matters relating to the remuneration of the Board and key senior management. The Remuneration Committee operates under its own ToR. The main functions of the Remuneration Committee include the following:- (a) Review the adequacy and effectiveness of the Remuneration Policy of the Company and its subsidiaries in the context of consistent and effective risk management; (b) Obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity; (c) Review the performance of individual Executive Directors and recommend to the Board for approval, the total remuneration package; (d) Review and recommend the remuneration package of Non-Executive Directors for approval by the Board; and (e) Prepare the annual remuneration report and communicate with shareholders on directors' remuneration. (f) Review on annual basis the performance of key senior management. The ToR of the RC is available on the Company's website at www.shh.com.my. The ToR was last reviewed in January 2026.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
Measure	:	
Timeframe	:	

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration thecompany'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 details of the Directors' Remuneration on a named basis and paid by the Company and its subsidiaries (including the components of directors' fees, salary, bonus, benefits in-kind and other emoluments) during the financial year ended 30th June 2026 are as follows:-

	Salary, bonuses, EPF, Socso and EIS (RM)	**Fee/Allowance (RM)**	**Benefit in kind (RM)**	**Total (RM)**
Executive Directors				
Lew Khim Khim (Ken Lew)	138,977	-	-	138,977
Grace Khoo Ting Ting	125,172	-	-	125,172
Total	264,149	-	-	264,149
Non Executive Directors Tan Chin Kiat	-	57,000	-	57,000
Marissa Lee Sher May	-	57,000	-	57,000
Aminuddin bin Mohd Arif (appointed on 15 June 2026)		2,633	-	2,633
Chong Seng Yau (appointed on 18 June 2026)	-	2,234	-	2,234
Dato' Hj Obet Bin Tawil (Resigned on 30 June 2026)	-	88,000	-	88,000
Wong Wen Miin (Resigned on 15 June 2026)	-	80,500	-	80,500
Stephen Low Chee Weng (Resigned on 18 June 2026)	-	78,100	-	78,100
Total	-	365,467	-	365,467
Grand Total	264,149	365,467	-	629,616

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.

<table>
<tr><td>Application :</td><td colspan="3">Departure</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="3"></td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="3">Two (2) of the top five (5) senior management are Executive Directors, their detailed remuneration on named basis have been disclosed. The remuneration of the 3 remaining members of the Senior Management for the financial year ended 30 June 2026 in successive bands of RM50,000 on a no-named basis are as follows:
<table><tr><td>RM250,001 to RM300,000</td><td></td><td>1</td></tr><tr><td>RM400,001 to RM450,000</td><td></td><td>1</td></tr><tr><td>RM500,001 to RM550,000</td><td></td><td>1</td></tr></table></td></tr>
<tr><td colspan="3"></td></tr>
<tr><td colspan="4">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="3"></td></tr>
<tr><td>Timeframe :</td><td colspan="2"></td><td></td></tr>
</table>

Practice 8.3 - Step Up

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

Application	:	Not Adopted.
Explanation on adoption of the practice	:	

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied.
Explanation on application of the practice	:	The Audit Committee comprises of three (4) Independent Non-Executive Directors. It is chaired by Chong Seng Yau, who is an Independent Director of the Company. Mr Chong holds a Bachelor Degree in Accounting and Finance from Segi College in collaboration with University of Greenwich, London, United Kingdom. He has more than 12 years of experience in finance and accounting across the hospitality, property management and property development sectors. He also plays an active role in stakeholder management, policy implementation and financial performance monitoring. The other members of the committee have tertiary qualifications in accounting and economics, are financially literate and have experienced in the banking and finance, taxation, investment and public administration. The duties and responsibilities of the Chairman of the AC are defined in the Terms of Reference of the AC, which is available on the Company's website at www.shh.com.my.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto 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 9.2

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	:	The ToR of the AC has been updated to include a cooling-off provision that a former partner or team member of the Company's existing auditing firm shall be prohibited from acting as a member of the Audit Committee for a period of three (3) years commencing on the date of his ceasing: • to be a partner of the firm; or • to have any financial interest in the firm; whichever is later.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouragedto 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 9.3

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

Application	:	Applied
Explanation on application of the practice	:	The Board has delegated to the AC to undertake an annual assessment of the quality of audit which encompassed the performance and calibre of the External Auditors and their independence, objectivity and professionalism. The ToR of the AC also requires the AC to assess the suitability, objectivity and independence of the External Auditors annually. The areas of assessment include among others, the External Auditors' independence, calibre, quality processes, audit team and resources, audit plan and scope, audit communication, audit governance, audit and non-audit fees paid to Auditors and audit outcome and recommendation. At the Board meeting held in May 2026, the External Auditors namely, PKF PLT had presented to the AC and Board its 2026 Audit Plan which included a confirmation that PKF PLT are independent throughout the conduct of the audit engagement in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants. The External Auditors will rotate their engaging partner in charge of the audit of the Company's Audited Financial Statements at least once every seven (7) years to maintain their independence from the Group.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto 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	:	Applied
Explanation on adoption of the practice	:	All members of the Audit Committee are Independent Non-Executive Directors.

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	The members of the AC possess a mix of skill, knowledge and appropriate level of expertise and experience to enable them to discharge their duties and responsibilities pursuant to the ToR of the AC. The Audit Committee comprises of four (4) Independent Non-Executive Directors. The members of the Audit Committee have a combination of accounting and economic tertiary qualifications, and are financially literate and have experienced in the fields of accounting and finance; public administration, taxation, investment and investment management. Mr Chong Seng Yau, the Chairman of the Audit Committee, holds a Bachelor Degree in Accounting and Finance from Segi College in collaboration with University of Greenwich, London, United Kingdom. He has more than 12 years of experience in finance and accounting across the hospitality, property management and property development sectors. He also plays an active role in stakeholder management, policy implementation and financial performance monitoring. Ms Merissa Lee Sher May, a member of the committee, is a graduate of the Association of Chartered Certified Accountants (ACCA). Ms Marissa Lee has experience in tax advisory, co-working space management and investment portfolio management. Mr Tan Chin Kiat, a member of the committee, holds multiple academic qualifications in Economics and Banking and has vast experience in the banking and industrial zone management. Encik Aminuddin bin Mohd Arif, a member of the Audit, has held the various positions in stockbroking, insurance plantation and government sectors/department and is currently an independent director of 2 public listed entities. The AC is aware of the need to continuously develop and to broaden their knowledge in the areas of accounting and auditing in order to carry out their roles and duties effectively.

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.

	For the financial year ended 30th June 2026, the Board through the Nomination Committee had reviewed the effectiveness of the AC via an evaluation questionnaire. The Board is satisfied with the performance of the AC and that the necessary skills, experience, knowledge and other relevant field of expertise of the AC members had contributed to the overall effectiveness of the AC. The detailed report on the activities of the AC for the financial year ended 30th June 2026 is set out in the Company's Annual Report 2026.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
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 aforeseeable 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	:	The Board recognises that effective risk management framework is an integral part of good business management. It is an ongoing process to identify, evaluate, monitor, manage and mitigate the risks that may affect the Group's ability to achieve its business objectives and strategies. Although the Board retains responsibility for establishing and assessing the effectiveness of the Company's systems for management of material business risks, the Board has delegated the responsibility to assess the effectiveness and efficiency of the Group's internal control and risk management framework to the Risk Management Committee ("RMC"). The risk management framework comprises the Group's risk management philosophy, policy and strategies; governance and management structures; and operational and control processes. The Board believes that the risk management framework will benefit the Group in terms of:- • Effective strategic planning with due consideration of the opportunities and risks; • Better cost control and utilisation of resources; • Increased knowledge and understanding of exposure to risk; • Systematic and well-informed methods of decision making; and • Enhancing shareholder value by minimising losses and maximising opportunities. In addition to the activities undertaken by the RMC, the Audit Committee meet regularly to evaluate the adequacy and effectiveness of the Group's internal control systems by reviewing the audit findings and recommendations to improve any weaknesses or non-compliance and the respective responses from the business unit Management thereto, to ensure that all key risks and control weaknesses are being properly addressed.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		

Intended Outcome

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

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 aforeseeable 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	:	The Group has adopted a formal risk management framework which describes the manner in which the Group identify, assesses, monitors and manages risk. The risk management framework comprises the Group's risk management philosophy and policy; risk management process and implementation; risk assessment and mitigation; and internal control processes which are covered in the Group's Board Charter, Code of Conducts, Employees Handbook, standard operating policies and procedures (SOPs), Anti-Bribery & Corruption Policy and Whistleblowing Policy & Procedures. Details of the implementation of the Risk Management Framework and processes are outlined in the Statement of Risk Management and Internal Controls in Company's Annual Report 2026. For the year ended 30th June 2026, the Group focused on and implemented mitigation measures in the following areas:- a) Change in US Administration, Policies and Regulations Risks b) Geo-political Tensions and Logistic Interruption Risks c) US Economy and Market Risks d) Foreign Exchange Risks e) Customers' Financial Standing and Default Risks f) Sustainability Risks The Internal Audit function is considered an integral part of the risk management framework and its primary objective is to provide assurance on the adequacy and effectiveness of the risk, control and governance framework of the Group. The Group's internal control system and monitoring procedures include:- • defined systems and procedures for key operational and financial departments, including maintenance of good operational and financial records and controls and the production of timely and accurate financial and management information and reports; • monitoring and control of key financial risks through clearly laid down authorisation levels and proper segregation of accounting duties; • detailed reporting of trading results, balance sheets and cash flows, with regular review by the management, Audit Committee and Board of Directors; • regular independent internal audit activities to monitor compliance with operational procedures and assess the integrity of operational and financial information provided; and • regular information provided to the management, covering operational performance, key business indicators and financial and cash flow reports.

Intended Outcome

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

Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
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 aforeseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	The Board has established a Risk Management Committee comprising 4 Independent Directors to oversee the establishment and implementation of risk management framework and sustainability strategies and initiatives of the Group. The Risk Management Committee reviews the risk management and sustainability policies and procedures formulated by Management and makes relevant recommendations to the Board for approval.

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	:	The Group outsourced its Internal Audit Function to a firm independent Internal Auditors. The principal role of the Internal Auditors is to undertake independent regular and systematic reviews of the systems of internal control within the Group so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively. It is the responsibility of the Internal Auditors to provide the Audit Committee with independent and objective reports on the state of internal control of the various operating units within the Group. During the year ended 30th June 2026, the Internal Auditor evaluated the adequacy and effectiveness of key controls within the Group's operating units in responding to the risk within the Group's governance, operations and information systems regarding the: • maintenance of proper accounting records; • reliability of financial information used within the business or for publication; • safeguarding of assets against unauthorised use or disposition; • efficiency and effectiveness of the running of the businesses and operations; and • compliance with laws and regulations.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

Companies have an effective governance, risk management and internal control frameworkand 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	:	The outsourced internal audit function is undertaken by an independent professional firm, SC Lim, Ng & Co PLT. The engagement director is Mr. Mike Soon, a member of the Malaysia Institute of Accountants and Institute of Internal Auditors Malaysia. The internal audit team comprises the engagement director and 2 professional staff. The Internal Auditor is free from any relationship or conflict of interest, which could impair his objectivity and independence. The Internal Auditor reports directly to the Audit Committee. A risk-based approach has been adopted by the Internal Auditor in establishing the internal audit program where major risk areas has be identified. The audits are carried out based on the detailed audit procedures as stated on the audit program designed for each of the audit area based on the level of risks identified. The internal audit activities are carried out in accordance with the internal audit plan which is designed to assess the adequacy, efficiency and effectiveness of the Group's internal control and management reporting system. During the financial year, the Internal Auditor conducted and presented the Internal Audit Reports to the Audit Committee on the following audit areas in accordance with the Internal Audit Plan as approved by the Audit Committee: • Purchasing and Payment Management • Human Resource and Payroll Management • Sales and Collection Management • Inventory and Warehouse Management • Management Information System- General Control The direct expenditure incurred for the internal audit function for the financial year ended 30th June 2026 is approximately RM84,577.
Explanation for departure	:	

Intended Outcome

Large companies are required to complete the columns below. Non-large companies are encouragedto 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 12.1

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

Application	:	Applied.
Explanation on application of the practice	:	The Company acknowledges the importance of timely and equal dissemination of all material business, corporate and financial developments affecting the Group to all stakeholders. The main channels of communications with stakeholders are through the following:- • the quarterly announcements on financial results and other periodical or relevant announcement to Bursa Securities; • Shareholders' circulars and annual report; • general meetings of shareholders; • meetings with investors, analysts and fund managers and briefing where appropriate; and • the Company's website at www.shh.com.my where shareholders can access information and developments on the Group's business and the Company's corporate information such as the Board Charter, Terms of References of the Board Committees, Company Policies, press releases, financial information, Company's announcements and others. The Board will ensure that it adheres to and comply with the disclosure requirements of Bursa Securities Listing Requirements as well as the Corporate Disclosure Guide issued by Bursa Securities. The Company has designated its Chief Financial Officer who has the appropriate level of competency and authority to prepare and release of material disclosures.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto 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 adopted	
Explanation on application of the practice	:		
Explanation for departure	:	Not applied as the Company in not consider as "Large Companies"	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.			
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	:	Notices of general meetings of the Company together with relevant circular to shareholders are issue at least 28 clear days before the meeting.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.			
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	:	The Company's 31st AGM, held on 3rd December 2025, was conducted physically at the Ground Floor, Lobby 1, Crystal Plaza, No.4, Jalan 51A/223, 46100 Petaling Jaya, Selangor Darul Ehsan. Except for Mr Tan Chin Kiat and Ms Marissa Lee Sher May who were absent due to health reason, all Board members, together with the External Auditors and certain members of Senior Management team were present to answer questions raised during the AGM. Shareholders who participated at the 31st AGM were able to pose questions during the meeting and answers and clarifications, where appropriate, were provided by the Directors and Senior Management of the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.			
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	:	The Company's 31st AGM, held on 3 December 2025 was conducted physically at Ground Floor, Lobby 1, Crystal Plaza, No.4, Jalan 51A/223, 46100 Petaling Jaya, Selangor Darul Ehsan which is easily accessible and where most shareholders will be able to attend. Shareholders who are unable to attend are allowed to appoint proxies to attend, speak and vote on their behalf. The Board is of the opinion that the convening of the general meetings at a single location without provision for remote participation is deemed adequate for a small listed company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.4

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

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.		
Application	:	Applied
Explanation on application of the practice	:	The Chairman of the Board introduced the members of the Board to the shareholders, briefed the meeting on the procedures for shareholders to attend, raise questions and vote at the AGM. During the AGM, the Chairman briefed the meeting on the performance of the Group for the financial year and opened the floor for shareholders to ask questions. The Board members, together with the External Auditors and certain members of Senior Management team were present to answer questions raised during the AGM. Shareholders are also encouraged to submit their written questions before the AGM so that the Board and management could prepare the necessary responses during the AGM. All written in questions and responses were read out during the AGM before the voting on the resolutions tabled at the AGM.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.5

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

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.		
Application	:	Applied.
Explanation on application of the practice	:	The Company's 32nd AGM, to be held on 2nd December 2026 will be conducted physically at Ground Floor, Lobby 1, Crystal Plaza, No. 4 Jalan 51A/223, 46100 Petaling Jaya, Selangor Darul Ehsan which is centrally located in Petaling Jaya with easy accessibility to public transport and where most shareholders will be able to attend. As the Company has a small shareholders base of about 740 shareholders, the Board is of the opinion that the convening of the general meetings at a single location is most expedient.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.		
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.

Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of the general meeting.			
Application	:	Applied.	
Explanation on application of the practice	:	The detailed minutes of the AGM will be made available at the Company's website at www.shh.com.my within 30 days after the AGM.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouragedto complete the columns below.			
Measure	:		
Timeframe	:		

CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate

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Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchangethat are required to comply with the above Guidelines.