

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0065
COMPANY NAME : EXCEL FORCE MSC BERHAD
FINANCIAL YEAR : June 30, 2025

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES 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.

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") primary role is to protect and enhance the interest of the shareholders and stakeholders whilst enabling the Group to achieve long term profitability and sustainability. The Board strives to ensure that the highest standards of corporate governance is practiced throughout the Group by enforcing good standards of accountability, all with a view to enable Management to execute its duties effectively.</p> <p>The Board has assumed the following to ensure the effectiveness of the Board and to discharge its duties and responsibilities:-</p> <ul style="list-style-type: none">• Review and adopt a strategic plan for the Company, address the sustainability of the Group's business;• Oversee and evaluate the conduct of succession planning for the Group;• Identify principal business risks faced by the Group and ensure the implementation of appropriate systems to manage these risks;• Oversee the conduct and operation of the Group's business and evaluate whether business is being managed properly;• Review the adequacy and integrity of the Group's internal control and management information system;• Carry out periodic review of the Group's financial statement and operating results and major capital commitment; and• Review and approve any major corporate proposals, new business venture, or joint venture of the Group.
Explanation for departure	:	

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

Intended Outcome

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' Seri Farhash Wafa Salvador (Dato' Seri Farhash" or "the Chairman") is the Executive Chairman of the Company. The roles of chairman are mentioned in Board Charter which is made available on the Company's website at https://www.excelforce.com.my.</p> <p>The Executive Chairman is responsible for effective performance of the Board. Dato' Seri Farhash regularly seeks the opinions of the Board members on the matters being deliberated during the meetings and ensure that the decision made are a representation of the Board as a whole. He also work closely with the Managing Director on significant business issues.</p> <p>In order to ensure that meetings are properly facilitated, and the Board properly led, the Chairman plays a crucial and pivotal leadership role in ensuring that Board works effectively.</p> <p>The Chairman's detailed experience and background can be found on the Annual Report 2025.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 position of CEO is currently vacant. However, the CEO's role is assumed by Managing Director.</p> <p>The positions of Chairman and Managing Director are held by two different individuals. The Executive Chairman, Dato' Seri Farhash leads and manages the Board by ensuring effective contribution from Directors and exercise control over quality, quantity and timeliness of information between Board and Management whereas the Managing Director, Wong Kok Chau manages the business and operations of the Company and implements the Board's decisions.</p> <p>The distinct and separate roles of the Chairman and Managing Director, with their clear division of responsibilities, ensure a balance of power and authority, such that no one individual has unfettered decision-making powers.</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 Chairman of the Board is not a member of the Audit Committee, Nomination Committee or Remuneration Committee.
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 Secretaries of the Company are Mr Tan Tong Lang (MAICSA 7045482/SSM PC No. 202208000250), and Ms Low Ven Sin (MAICSA 7076080 / SSM PC No. 202208000340). Every Director has unrestricted access to the advice and the services of the Company Secretaries in ensuring the effective functioning of the Board. The Company Secretaries have provided and assisted the Board, Board Committees and/or individual Director on matters including but not limited to Board procedures, legislations, rules and regulations, codes, guidelines and operations matter within the Company. The Board is also regularly updated and advised by the Company Secretaries on latest statutory and regulatory requirements and the resultant implications to the Company and Directors in relations to their duties and responsibilities.</p> <p>The Company Secretaries have kept themselves abreast with the development and new changes in relation to any legislation and regulations concerning the corporate administration and highlighted the same to the Board accordingly.</p> <p>The Company Secretaries attended all Board and Board Committees meetings and ensured that meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are taken and recorded accordingly.</p> <p>The Board recognises that the Company Secretaries are suitably qualified and capable of carrying out the duties required. The Board is satisfied with the service and support rendered by the Company Secretaries in discharging their 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>The Board held five (5) meetings in the current financial under review. Ad hoc Board meetings will be held as and when required.</p> <p>To ensure all Board members have sufficient time to read and understand the meeting agenda, the board meeting paper will be distributed to all Board member in advance prior to the meeting day.</p> <p>The Board papers include the minutes of previous Board meeting, minutes of meetings of all Committees of the Board and reports relevant to the agenda of the meetings.</p> <p>The deliberations and decisions at Board and Board Committee meetings are well documented in the minutes, including matters where Directors abstained from voting or deliberation.</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 is guided by its Board Charter which sets out the roles, responsibilities and processes of the Board in discharging its duties effectively. The Board Charter is reviewed as and when necessary to keep it up to date with changes in regulations and best practices and ensures its effectiveness and relevance to the Board's objectives.</p> <p>There is a formal schedule of matters reserved for the Boards's consideration and decision which is set out in the Board Charter.</p> <p>The Board Charter is available on the Company's website at https://www.excelforce.com.my</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 Group has a Code of Conduct and Ethics policy (“Code”) which applies to directors, management and employees. The Code set out the Group’s value and principles to guide standards of behaviour and business conduct of directors, management and employees deal with third party which cover the anti-bribery, confidentiality, fair dealing, protect of company’s assets and human rights.</p> <p>The Code is available on the Company’s website at https://www.excelforce.com.my</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	The Whistle-Blowing Policy was adopted by the Board as part of Anti-Bribery Framework Management (“ABMS”). The Group conducted regular review on ABMS to evaluate its effectiveness and to identified area that require improvement. The details of Whistle-Blowing Policy are accessible for reference on the Company’s website, https://www.excelforce.com.my	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The 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	:	<p>The board proactively consider sustainability issues when it oversees the planning, performance and long term strategy of the company, to ensure the company remains resilient, is able to deliver durable and sustainable value as well as maintain the confidence of its stakeholders. The role of senior management is critical, in integrating sustainability considerations in the day-to-day operations of the company and ensuring the effective implementation of the company's sustainability strategies and plans. The board and management continuously engage and consider the views of its internal and external stakeholders to better understand and manage the company's sustainability risks and opportunities.</p> <p>The Sustainability Committee was setup at management level and its main responsibilities is to design, implement, deploy, track, monitor, report, and share the sustainability efforts with internal and external stakeholders. The Committee team members comprise of department head, team lead, manager and executive of each division.</p> <p>The committee shared their thoughts on the importance of sustainability and their commitment to integrating it into the Excel Force group. While there was consensus on the need for sustainable practices, the specific approach and implementation details were not immediately apparent. As such, the committee acknowledged the challenges associated with navigating the complexities of sustainability, but expressed determination to collaboratively explore, study, understand, and implement sustainability practices.</p> <p>In accordance to the Bursa's Enhanced Sustainability Reporting Framework, the Company disclosed all 11 common sustainability matters, common indicators, target and progress achievement in Annual Report 2025.</p>

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

Intended Outcome

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 Group has set up the common sustainability matter which include common indicators, targets and measurement. The Group will update the status of achievement against target set and shared it to employees via internal platform. We will also include the full details of common sustainability matter in our Sustainability Statement in Annual Report 2025.	
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	:	EForce’s Sustainability Statement primarily focuses on operations and management of the economic, environmental and social sustainability. It highlights the Group’s commitment to manage business in a responsible and sustainable manner and outlines the various practices embedded into Group’s processes with an ultimate aim of bringing value to its businesses, stakeholders and society in general. The full details of the sustainability statement are disclosed in the Annual Report 2025.	
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

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

Practice 4.4

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

Application	:	Applied	
Explanation on application of the practice	:	The Nomination Committee ("NC") reviews and assesses the Board's performance through yearly performance evaluation assessment which set out clear evaluation criteria, including the assessment, monitoring and discuss with management the Company material sustainability risk and opportunity. The summary of the performance evaluation will then present to Board for review and approval. The performance assessment for senior management is through yearly performance appraisal, the main evaluation criteria is based on operational competency, core values and soft skill.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

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	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Terms of Reference of the NC stipulates that the NC shall ensure the composition of the Board is refreshed periodically by reviewing the tenure of each Director and the re-election of Director should be based on evaluation of performance of the Director and contribution to the Board.</p> <p>The NC reviews and assesses the Board composition on yearly basis to ensure that it has balance mixed skills and business experience to contribute to the success of the Group. The evaluation report will then recommend to the Board for review and approval. NC satisfied that all the Directors have contributed to robust deliberation and decision making during the Board and Board Committee meetings.</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

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>For the financial year ended 30 June 2025, the Board consisted of six (6) members, board composition is as follows:</p> <p>a. One (1) Executive Chairman b. One (1) Managing Director c. One (1) Executive Director d. Three (3) Independent Non-Executive Directors</p> <p>The NC has assessed on yearly basis the Board composition and is satisfied that the current size and composition of Directors is adequate to provide a balance mix of skills and experience, as well as the objective requires in the boardroom.</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

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	:	<p>The Board through the NC continue to evaluate the independent of its Independent Directors annually in accordance with Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Independent Directors are required to affirm their commitment to bring sound independent and objective judgement upon their appointment.</p> <p>As at financial year ended 30 June 2025, none of the Independent Directors have served as Independent Director for a cumulative term of nine years or more.</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

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

Practice 5.4 - Step Up

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

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

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>NC is committed to ensure that the Board and Senior Management are sufficiently diverse and appropriately balance.</p> <p>The process of identifying candidates for the appointment of Directors and Senior Management are carried out by NC. In making recommendations to the Board on suitable candidate of Directors, NC will take into the consideration such as qualification, skill set, working experience, culture background, gender and current Board composition.</p> <p>As at financial year ended 30 June 2025, no new Director was appointed.</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

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	:	The process of identifying candidates for the appointment of directors is based on various sources, among others, the recommendation from the existing board, management and major shareholders.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied	
Explanation on application of the practice	:	The Directors' profile is published in the Annual Report contained the age, gender, tenure of service, qualification, working experience, directorship in the other companies and any conflict of interest as well as their shareholdings in the Company, if any. The re-appointment of retiring Directors has been discussed and agreed upon in the NC meeting.	
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

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 NC is chaired by Dato' Sri Ismail bin Ahmad, who is the Independent Non-Executive Director of the Company.	
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

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	:	<p>The Board currently comprises 5 male Directors and 1 female Director, representing 17% of female representation in the Board.</p> <p>The Board would continue to enhance the diversity of the Board, not only from a diverse background but more importantly with the required expertise, experience, corporate industry standing and skills for purpose of adding value to current Board, without compromising the quality of the candidate.</p>	
<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 5.10

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 Board is supportive of the recommendation of Malaysian Code on Corporate Governance 2021 (“MCCG”) to the establishment of boardroom and workforce gender diversity policy. The Group shall endeavour to formulate the gender diversity policy in due course.	
<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 is entrusted by the Board to carried out the annual review of the effectiveness of the Board, Board Committees and the performance of individual Directors.</p> <p>The NC had during the year conducted an annual assessment and evaluation on the effectiveness of the Board, Board Committees and the performance of each individual Director for the financial year ended 30 June 2025. The evaluation process was based on self-assessment and the assessment results were deliberated during NC meeting, then presented to the Board for approval.</p> <p>The feedback and inputs provided by the Directors in the evaluation forms were properly documented and discussed for improvement.</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 Remuneration Committee ("RC") is responsible for setting the remuneration package for all Directors and Senior Management.</p> <p>The Board through RC has in place a process to determine the remuneration of directors and senior management. The remuneration scheme is structure based on corporate and individual performance. Non-Executive Directors are remunerated based on their experiences and the level of responsibilities undertaken. For Executive Director and senior management, it shall base on job responsibilities and annual performance appraisal rating.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	The RC comprises three (3) Independent Non-Executive Directors. The roles and responsibilities of RC are provided in its term of reference and available on Company's website at https://www.excelforce.com.my .
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 details of the Directors' Remuneration paid by the Company and its subsidiaries during financial year ended 2025 was disclosed on name and band basis in Annual Report 2025.

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' Seri Farhash Wafa Salvador	Executive Director	0	0	0	0	280	00	280	0	0	0	0	280	0	280
2	Wong Kok Chau	Executive Director	60	0	0	0	0	0	60	60	0	0	0	0	0	60
3	Eng Shao Hon	Executive Director	60	0	0	0	0	0	60	60	0	0	0	0	0	60
4	Datuk Mat Noor Bin Nawi	Independent Director	72	0	0	0	0	0	72	72	0	0	0	0	0	72
5	Dato' Sri Ismail Bin Ahmad	Independent Director	60	0	0	0	0	0	60	60	0	0	0	0	0	60
6	Elisa Tan Mun-E	Independent Director	0	0	0	0	60	0	60	0	0	0	0	60	0	60

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 disclosure of senior management personnel's names and various remuneration components (salary, bonus, benefit-in-kind, and other emoluments) would not be in the best interest of the Group due to confidentiality and security concerns.</p> <p>The Boards is of the view that such disclosure would have adverse effect on the Company's talent retention in the highly competitive industry.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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 Audit Committee, Datuk Mat Noor bin Nawi is not the Chairman of the Board. This ensures that the objectivity on the Board’s review of the Company’s finding and recommendations remain intact.</p> <p>The profile of Datuk Mat Noor bin Nawi is available in the Annual Report 2025.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is 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 Audit Committee ("AC") member were from former audit partner firm. The cooling off period of at least three years before being appointed as a member of the AC is in 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

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 Board has established a formal and transparent arrangement with its external auditors to meet their professional requirement.</p> <p>The AC meets with the external auditors to review the rationale of significant judgement, accounting principles and the operating effectiveness of internal controls and business risk management. The AC undertaken an assessment on the suitability, effectiveness and independent of the external auditors of the Company. The AC was satisfied with performance and provision of audit and non-audit services rendered by the external auditor.</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 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The AC consist of Independent Directors only.

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 chairman and its member of the AC possess experience and qualification as stated in the Audit Committee Report in the Annual Report 2025. All AC members received ongoing training and development as detailed in the director training section of the Corporate Governance Statement in the Annual Report 2025.	
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	:	The Company has established Risk Management Committee of the Management (“RMCM”). It is headed by Managing Director, and its member comprises various head of department. The primary and purpose of the RMCM is to assist the Board to fulfil its responsibility with respect to evaluating, reviewing and monitoring the Group’s risk management framework.	
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	:	The Company has established a risk management and internal control framework; the content is reviewed and assessed periodically by the RMCM. Detail of the risk management framework is in the statement of risk management and internal control in the Annual Report 2025.	
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	:	Not Adopted
Explanation on adoption of the practice	:	The Board did not comply with the recommendation. The Risk Management Committee is established at management level and report to Audit Committee on quarterly basis.

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 Group in its efforts to provide an adequate and effective internal control system has appointed Vaersa Advisory Sdn Bhd ("Vaersa") on 18 September 2024, to replace the resigned internal auditor, Steering Business Alignment Consulting Sdn Bhd, an independent consulting firm to review the adequacy and integrity of system on internal control.</p> <p>Vaersa reports to AC on quarterly basis on effectiveness of internal control of the Company, the report provided the control rating, findings and recommendations for Company for internal control improvement. AC and its member review the report, made necessary queries or clarification and then report to Board for approval.</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	:	The internal audit function is outsourced to an independent consultant firm, the internal audit function covers all material controls including financial, operational and risk management function. Full detail disclosure on its independency can be found in the Statement on Internal Control and Risk Management ("SORMIC") in the Annual Report 2025.
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	:	The Company has set up investor relation section which can access via company website. All communication with analyst, investor and media briefing will be channel through investor relation website. The Company also keep shareholders informed on the performance of the Company through quarterly financial statement, annual report and audited financial statements.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company dispatched the Notice of the 22nd AGM to the shareholders on 30 October 2024 for the AGM held on 5 December 2024. The notice period was 36 days.</p> <p>The Notice of AGM and Proxy Form contained in the Annual Report, was published on the Company's website at https://www.excelforce.com.my.</p> <p>For the forthcoming 23rd AGM scheduled on 4 December 2025, the Notice of AGM is scheduled to be issued to the shareholders of the Company on 31 October 2025, i.e. at least 28 days prior to 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>The Board took note that the presence of all Directors will provide opportunity for shareholders to effectively engage with each Director. Besides, having the chair of the Board subcommittees present facilitates the conversations and allows shareholders to raise questions, and concerns directly to those responsible.</p> <p>All Directors were present and participated in the 22nd AGM of the Company, except for Dato' Seri Farhash, who was absent during the meeting. The presence of the other Directors provided shareholders with the opportunity to raise questions addressed to them</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate—

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>At our virtual 22nd AGM held on 5 December 2024, the Company had leveraged on technology to facilitate the conduct of AGM via Remote Participation and electronic voting facilities (“RPV”).</p> <p>Securities Commission Malaysia (SC) and Bursa Malaysia Berhad announced that effective from 1 March 2025, all public listed companies (PLCs) on Bursa Malaysia must hold hybrid or physical general meetings. Hence, our next AGM (ie 23rd AGM) will be held physically, and polling will be carried out using an electronic voting system to reduce paper usage and enhance overall efficiency.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>		
Application	:	Applied
Explanation on application of the practice	:	Shareholders were given the opportunity to raise queries 1 month before Annual General Meeting of the Company ("AGM") via: (i) email to info@excelforce.com.my ; or (ii) electronic submission via its Vote2U Online website at https://web.vote2u.app on meeting day The Q&A session was kept open throughout the virtual AGM allowing members/proxies to pose questions real time (in the form of typed text) throughout the meeting via the query box facility. All queries raised pre-AGM and during the virtual AGM were published live for shareholders and proxies' reference throughout the AGM and were answered in real time by the Board and Senior Management during the meeting. The written responses to all queries raised were recorded in the minutes of the AGM.
Explanation for departure	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	
	:	

Intended Outcome

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

Practice 13.5

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	:	Applied
Explanation on application of the practice	:	<p>The 22nd AGM was conducted on a virtual basis through live streaming and Remote Participation and Voting (“RPV”) facilities. All Directors and senior management were attended at broadcast venue.</p> <p>The broadcast of the AGM and the online poll voting went smoothly without any technical glitch or downtime.</p> <p>All questions raised were published live for shareholders and proxies’ reference throughout the AGM and were answered in real time by the Board.</p>
Explanation for departure	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	Minutes of the 22 nd Annual General Meeting of the Company was published on the Company's website within a month from the date of the meeting.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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

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

Click or tap here to enter text.

