

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0032
COMPANY NAME : REDtone Digital 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	:	The Board of Directors ("Board") of REDtone Digital Berhad ("REDtone" or "the Company") holds the responsibility for providing leadership, ensuring effective oversight, and driving the long-term success of the Company and its subsidiaries ("the Group"). The Board is fully aware of its collective duty to steer the Group's business activities towards achieving a well-balanced, sound, and sustainable operational framework, with the ultimate goal of protecting and enhancing shareholder value. The roles and responsibilities of the Board are clearly set out in the Board Charter, which serves as a reference point for Board activities. The Board has delegated specific duties to its Committees, which operate under clearly defined Terms of Reference. The Board's standing committees include the Audit Committee ("AC"), Nomination Committee ("NC"), and Remuneration Committee ("RC"). With the support of these Committees and Management, the Board regularly reviews and monitors the Company's performance to ensure alignment with its overarching strategy and vision. The principal responsibilities of the Board include, amongst others, the following areas:- • Setting the Group's strategic business plan and direction • Promoting a culture of good corporate governance • Approving major investment and divestment proposals • Approving financial results and ensuring reporting integrity • Overseeing risk management and internal control systems • Succession planning for Board and Senior Management • Appointment of Directors, Board Committees and determining remuneration • Appointment of Auditors and determining their remuneration • Overseeing sustainability risks and opportunities

	The Board also promotes good corporate governance culture by ensuring critical policies and procedures are in place and updated with the evolving business compliance and requirements. Adequate procedures were in place Group-wide during the financial year to prevent and protect against corruption practices. The Board is kept abreast of the overall business activities of the Company through the updates from the Management at the quarterly Board meetings and in between, on an ad-hoc basis whenever deemed necessary. Any unresolved matter at each meeting will be minuted as a matter arising which is to be followed-up and discussed at the next Board 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	:	

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	:	The Board is led by YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail, the Non-Independent Non-Executive Chairman of the Company. Encik Syed Ali Shahul Hameed is the Non-Independent Non-Executive Deputy Chairman of the Board. The Deputy Chairman will perform the duties of the Chairman during the Chairman's absence. The profile of Her Royal Highness and Encik Syed Ali Shahul Hameed are set out in the Board of Directors' profile in the Company's Annual Report 2025. The Chairman is responsible for representing the Board to shareholders and ensuring the integrity and effectiveness of the governance process of the Board. The Chairman maintains regular dialogue with the Executive Director over all operational matters. In addition, the Chairman also acts as a facilitator at Board meetings to ensure that no Board member, whether executive or non-executive, dominates discussion and healthy discussions take place by fostering free expression of opinions of the Board members, to achieve thorough discussions and optimum decisions. The roles and responsibilities of the Chairman of the Board are clearly defined and outlined in Appendix B of the Board Charter, which is available on REDtone's website at www.redtone.com. The responsibilities of the Chairman include, amongst others; • Providing leadership to the Board; • Chairing meetings of the Board in such a manner that will stimulate debate on issues before the Board and encourage the most effective contribution from each Board member; • Organising the agenda for Board meetings based on input from other Directors and the Company Secretary; • Acting as liaison between the Board and management; • The point of contact for shareholders and other stakeholders on any queries and concerns regarding REDtone and its group of companies; and • Leading the Board in establishing and monitoring good corporate governance practices in the Group.

	During the financial year ended 30 June 2025 ("FYE 2025"), the Chairman of the Board has demonstrated strong leadership, offered strategic guidance, and ensured robust governance across 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 1.3

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

Application	:	Applied
Explanation on application of the practice	:	The positions of Chairman and Group Chief Executive Officer (“Group CEO”) are held by two (2) different individuals, in line with good corporate governance practices to ensure a clear separation of roles and responsibilities, thereby facilitating a balance of authority and accountability, preventing any single individual from having unchecked decision-making power. The Chairman, YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail, provides overall leadership to the Board, ensuring its effectiveness in all aspects of its role, without compromising the principle of collective responsibility for Board decisions. She leads the Board in setting the strategic direction, governance framework, and high-level oversight of the Group's affairs. The Group CEO, Mr. Lau Bik Soon, with the support of the Executive Committee and Management team, is responsible for the formulation and implementation of business strategies, execution of the Board's decisions and policies, and overseeing the day-to-day management and operations of the Group. The Group CEO and Executive Committee remain accountable to the Board for the authority delegated to them and for the overall performance and sustainability of the Group. This clear delineation of roles ensures effective oversight, operational efficiency, and strategic alignment across the organisation.
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 YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail. Her Royal Highness is not a member of AC, NC or RC of the Company. For the FYE 2025, Her Royal Highness did not participate in any discussions nor attend any meetings of the Board Committees, in line with the Company's governance structure and to preserve the independence and objectivity of the respective Committees.
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	:	The Board is supported by two (2) qualified, experienced, and competent Company Secretaries, both of whom are qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016. They are also registered with the Companies Commission of Malaysia under Section 241 of the Companies Act 2016 and hold valid practising certificates issued by the Companies Commission of Malaysia. The Company Secretaries play an essential advisory and administrative role in supporting the Board. Their core responsibilities include: • Managing the logistics of Board and Board Committee meetings, including preparing agendas, issuing notices, attending meetings, recording minutes, and facilitating effective communication among Board members; • Advising the Board on its roles, responsibilities, and obligations under relevant laws and regulations; • Guiding Directors on training and professional development needs; • Ensuring compliance with the Company's Constitution, the Companies Act 2016, Main Market Listing Requirements, and the Malaysian Code on Corporate Governance; • Coordinating processes related to the Company's general meetings; • Monitoring evolving corporate governance developments and assisting the Board in adopting best governance practices to meet the expectations of shareholders and stakeholders; and • Acting as a focal point of communication between the Board and stakeholders on governance-related matters. The Company Secretaries are responsible for ensuring that Board procedures are strictly followed, all regulatory requirements are complied with, and Board deliberations and resolutions are accurately recorded and maintained at the Company's registered office. All Directors have unrestricted access to the advice and services of the Company Secretaries, enabling them to carry out their duties effectively. The Board is satisfied with the performance of the Company Secretaries and acknowledges their role in supporting sound governance,

	regulatory compliance, and the continuous enhancement of corporate governance standards within 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 1.6

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	:	Notices outlining the meeting agendas are prepared and circulated to the Directors at least five (5) days before each Board and Board Committee meeting. Additionally, Board members are provided with the relevant meeting materials within a reasonable timeframe prior to the meeting to enable constructive and effective discussions during the meetings. The Company Secretary attends all Board and Board Committee meetings and ensures that the proceedings, including matters discussed, deliberations, decisions made, as well as any dissenting views or abstentions are accurately minuted and documented. Meeting minutes are circulated to all Directors in a timely manner after the conclusion of each meeting for their review. Once confirmed, the minutes, as part of the Company's statutory records, are duly entered into the minutes book.
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	:	The Board Charter which has been formalised and adopted by the Board, serves as a primary reference that clearly defines the roles, responsibilities, authority and operations of the Board, its Board Committees, the Chairman, Chief Executive Officer, Executive Directors and Non-Executive Directors. It also outlines a schedule of matters reserved for the Board's collective decision, including, but not limited to, the financial and business matters, Board and directorate issues, public reporting and other matters requiring Board approval. The Board Charter sets out, inter alia, the following matters: (i) Board Responsibilities (ii) Board membership guidelines (iii) Board and member evaluations (iv) Directors' remuneration (v) Board structures and procedures (vi) Relationship of the Board with Management (vii) Relationship between the Board and Shareholders, Institutional Investors, Press, Customers et cetera. A copy of the Board Charter is available on the Company's website at www.redtone.com. The Board will periodically review the Board Charter to ensure its continued alignment with the Board's objectives, applicable laws, and current practices. The Board Charter was last reviewed by the Board in August 2023.
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	:	The Board recognises its leadership role as a key driver in fostering ethical values and upholding ethical conduct throughout the Group. In ensuring that all Directors set the tone and standards at the top by instilling the culture of sound governance and also in upholding integrity, objectivity, accountability, openness and honesty throughout the Group, the Board is guided by the 'Directors' Code of Best Practice' embedded in the Board Charter. The Group also adopts the 'Code of Conduct' to ensure all employees of the Group maintain and uphold high standards of ethical and professional conduct in the performance of their duties and responsibilities. The Code of Conduct sets out the rules of conduct and include, amongst others: - Ethical Business Practices - Fair Dealing - Local Legal Requirements - International Legal Requirements - Confidential Information and Other Company Property - Conflicts of Interest - Improper Gifts or Payments - Communications with Third Parties - Securities Law Compliance and Inside Information - Anti-Money Laundering - Company Records and Financial Reporting - Fraud/ Fraudulent Activities Both the Directors' Code of Best Practice and Code of Conduct are accessible on the Company's website at www.redtone.com.

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

Intended Outcome

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 Company remains committed to upholding the highest standards of integrity, transparency, and accountability in the conduct of its business and operations. It continues to aspire to conduct its affairs in an ethical, responsible, and transparent manner. In support of this commitment, the Board has maintained and reaffirmed the Whistleblowing Policy, which provides a secure and confidential avenue for employees and members of the public to report any suspected misconduct or genuine concerns related to financial reporting, compliance breaches, or other malpractices. The Whistleblowing Policy ensures that such reports can be made appropriately and at the earliest opportunity, without fear of retaliation. The Whistleblowing Policy sets out clear guidelines for the lodgement of reports or concerns and is published on the Company's website at https://www.redtone.com/investor-relations/whistleblower/. A whistle-blower may report directly in writing via the dedicated email address, whistleblower@redtone.com, or through other channels as detailed in the Whistleblowing Policy.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board holds ultimate accountability for the governance of sustainability in REDtone, ensuring that sustainability considerations are integrated into the Group's overall strategy, operations and decision-making processes. The Board provides oversight on sustainability-related risks and opportunities and is committed to aligning the Group's direction with long-term value creation for shareholders and broader stakeholder expectations. To support the Board in its oversight role, sustainability matters are operationally driven by the Group's Sustainability Working Committee ("SWC"). The SWC is chaired by the Group CEO and comprises heads of key departments across the organisation. This cross-functional team is responsible for implementing sustainability initiatives, tracking progress against targets, and reporting key updates to the Board. At REDtone, sustainability is a core strategic priority, embedded in the Group's way of doing business to ensure long-term resilience, social relevance, and environmental responsibility. The Group's Sustainability Policy outlines the guiding principles that shape the Company's commitment to responsible business practices, ethical conduct, and positive community engagement. Through this governance framework, REDtone aims to meet evolving societal expectations, uphold high standards of environmental, social and governance ("ESG") practices, and deliver sustainable value to stakeholders.

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 Board has adopted a comprehensive Sustainability Framework that outlines the Group's sustainability strategies, priorities and measurable targets. This Framework reflects REDtone's commitment to integrating ESG considerations into the Group's long-term strategic direction and daily operations. The Sustainability Framework is implemented across all levels of the Group, ensuring that sustainability principles are embedded into day-to-day decision-making and business activities. It provides a structured approach for departments and business units to align their goals with the Group's broader ESG ambitions. REDtone's sustainability strategies, priorities, targets, and performance updates are transparently disclosed in the Sustainability Statement of the Annual Report 2025. These disclosures include key initiatives, progress towards targets, and impact metrics to facilitate informed stakeholder engagement.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied
Explanation on application of the practice	:	The Board recognises the importance of staying informed and upskilled on evolving sustainability issues, including climate-related risks and opportunities, to effectively discharge its oversight responsibilities. All Directors have successfully completed the Mandatory Accreditation Programme Part II on Sustainability as required under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), reinforcing the Board’s foundational understanding of sustainability governance. To further enhance their knowledge, Directors regularly attend relevant trainings and briefings on emerging sustainability trends, regulatory developments, and best practices. The Board also receives updates on sustainability-related matters through periodic engagements with the External Auditors and Company Secretaries, particularly in areas concerning ESG disclosures, compliance, and stakeholder expectations. The NC, through its annual Board Evaluation Questionnaire relating to ESG or Sustainability, is satisfied that the Board collectively possesses the requisite knowledge, expertise, and diversity of experience to lead and oversee the Group’s sustainability agenda effectively. This continuous learning approach ensures the Board remains well-equipped to provide strategic direction and oversight on the Group’s sustainability performance and commitments.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.4

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	While sustainability criteria are not explicitly incorporated into the performance evaluations of the Senior Management, the Group acknowledges that managing sustainability risks and opportunities is a shared responsibility embedded across all levels of the organisation. However, the NC had completed the Board Evaluation Questionnaire relating to ESG or Sustainability to review the performance of the Board in addressing the Company's material sustainability risks and opportunities. To support this, the Group actively engages external sustainability consultants to provide guidance on sustainability-related matters, including reporting and alignment with relevant frameworks and regulations. Material sustainability issues are regularly tracked and reviewed. These matters are deliberated during quarterly management meetings attended by heads of departments, particularly where issues arise that require escalation or action. Key sustainability metrics and developments are monitored to ensure they are factored into operational decisions and long-term planning. The Board receives updates on sustainability matters on a half-yearly basis, allowing for oversight of progress, challenges, and strategic alignment. In addition, sustainability-related risks are integrated into the Group's Enterprise Risk Management ("ERM") framework and documented in the risk register, which is reviewed and updated bi-annually to ensure the Board and Management are kept informed of emerging risks.
<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.

<i>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.</i>		
Application	:	Adopted
Explanation on adoption of the practice	:	The Board is supported by the SWC in overseeing the management of material sustainability matters across the Group. The SWC is chaired by the Group CEO and comprises cross-functional representation from key departments, including Finance, Corporate Affairs, Marketing, Operations, Health & Safety, and Human Resources, as well as the Sustainability Officer. The SWC plays a pivotal role in driving the implementation of the Board-approved ESG Framework, ensuring that sustainability principles are effectively embedded into the Group's business operations and decision-making processes. Specifically, the SWC is responsible for: • Coordinating and implementing sustainability initiatives across business functions; • Monitoring the progress of sustainability targets and performance indicators; • Identifying, evaluating and managing material ESG risks and opportunities; • Supporting the preparation of sustainability disclosures; and • Reporting key sustainability developments and issues to the Board. Through regular monitoring, evaluation and internal reporting, the SWC ensures that sustainability considerations are integrated into the Group's operational activities and long-term planning.

	This structured approach enables the Group to continuously improve its sustainability performance in alignment with stakeholder expectations and evolving regulatory requirements.
--	---

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	:	Pursuant to the Malaysian Code on Corporate Governance (“MCCG”), the Board, via the NC, annually reviews its composition to ensure it remains appropriately structured in terms of size, diversity, independence, and alignment with the Company’s strategic objectives. The Board, having conducted its annual review, is satisfied that its current composition effectively supports oversight, accountability, and alignment with the Group’s strategic goals. The NC, guided by its Terms of Reference, conducts annual assessments of each Director, covering their tenure, performance, effectiveness, and continued suitability on the Board, as well as the evaluation of Directors standing for re-election at the Annual General Meeting (“AGM”). The assessment is based on criteria outlined in the Companies Act 2016, the Main Market Listing Requirements of Bursa Securities, and other relevant considerations, including disclosures of interest, declarations involving transactions with the Group, related party transactions, and any potential conflict of interest situations. This process ensures the Board remains in compliance with regulatory expectations and is fully aware of its fiduciary responsibilities. The NC is satisfied that the current Board comprises high-performing Directors who uphold the highest standards of independence, integrity, and efficiency forming a strong foundation for the Company’s effective governance framework. Each Director contributes valuable industry insight and enterprise-level expertise, strengthening the quality of Board deliberations and strategic oversight. Despite their deep experience, the Directors remain committed to continuous learning and development, keeping abreast of evolving market conditions and industry trends. In fulfilling its duties, the NC also reviews the evolving needs of the Group and assesses the need to introduce new skills, perspectives, or expertise to the Board as and when appropriate. This ensures the Board continues to operate effectively, remains forward-looking, and is aligned with the strategic direction of the Group.

	The profiles of each Director can be found in the Company's Annual Report 2025 for further reference.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	As at the date of this Report, the Board comprises seven (7) members, of whom: • Three (3) are Independent Non-Executive Directors, • Three (3) are Non-Independent Non-Executive Directors, and • One (1) is an Executive Director. This composition complies with Paragraph 15.02(1) of the Main Market Listing Requirements of Bursa Securities, which requires at least two (2) or one-third (1/3) of the Board members, whichever is higher, to be Independent Directors. Although the current Board composition does not meet the recommendation of Practice 5.2 of the MCCG for at least 50% Independent Directors, the Board maintains its independence in decision-making through rigorous deliberations, constructive challenge, and a strong governance culture. The Non-Independent Non-Executive Directors bring extensive industry knowledge, strategic insight, and a strong willingness to engage Management through thoughtful questions and robust discussions, which significantly contribute to the Board's effectiveness. All Board decisions are made collectively, with independent judgment applied regardless of directorship classification, ensuring that decisions are made in the best interest of the Company and its stakeholders.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied
Explanation on application of the practice	:	The Company's Board Charter provides that upon reaching a tenure of nine (9) years, an Independent Director may either be re-designated as a Non-Independent Director or, if the Board wishes to retain the Director as an Independent Director, the Board must provide justification and seek annual shareholders' approval. In accordance with Practice 5.3 of the MCCG, such retention is subject to a two-tier voting process and may only continue until the twelfth (12th) year of service. Dato' Avinderjit Singh A/L Harjit Singh was appointed to the Board as an Independent Non-Executive Director on 19 February 2014. At the Twenty-Second AGM of the Company held on 3 December 2024, the shareholders had approved the Board's proposal to retain Dato' Avinderjit Singh A/L Harjit Singh to continue to serve as an Independent Non-Executive Director of the Company. The Board will at the forthcoming Twenty-Third AGM, propose to retain Dato' Avinderjit Singh A/L Harjit Singh to continue to serve as an Independent Non-Executive Director of the Company after having noted the following considerations during the annual review and assessment of his independence: - He fulfils the criteria under the definition of an Independent Director as stated in the Main Market Listing Requirements of Bursa Securities, and thus, he will be able to function as check and balance, provide a broader view and bring an element of objectivity to the Board; - He was able to consistently demonstrate his independence and professionalism and effectively contribute and add value to the Company through the Board Committees he served as well as the Board; - He had vast experience in a diverse range of businesses and was able to provide constructive opinions and exercise independent

	judgement in the best interests of the Company, and actively expressed his views and participated in Board deliberations and decision making in an objective manner; and - There were significant advantages to be gained from a long-serving Independent Director who has many years of experience with incumbent knowledge of the Company and the Group's activities and corporate history, and was able to provide invaluable contributions to the Board in his role as an Independent Non-Executive Director. The proposed retention of Dato' Avinderjit Singh A/L Harjit Singh to continue in office as an Independent Non-Executive Director is subject to shareholders' approval being obtained through a two-tier voting process.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.4 - Step Up

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

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	:	Applied
Explanation on application of the practice	:	The Company is committed to a formal, objective, and merit-based process for the nomination, appointment, and annual assessment of the Board and Senior Management, under the oversight of the NC. In line with good governance practices, all appointments are made based on a balanced consideration of qualifications, competencies, integrity, and the ability to contribute meaningfully to the Group's strategic direction and performance. The Company also places strong emphasis on diversity and inclusion, and is committed to creating a workplace and leadership team that is free from discrimination based on ethnicity, age, gender or cultural background. The Board believes that diversity in perspectives and experience enhances collective effectiveness, decision-making, and stakeholder confidence. The current Board composition reflects a diverse mix of qualified professionals with backgrounds in telecommunications, engineering, accountancy, taxation, banking, finance, investment, and corporate finance. This blend of expertise supports well-rounded deliberations and objective assessments at the Board level. The Board and NC consider the following core criteria in the appointment, re-election, and evaluation of Directors and Senior Management: • Skills, knowledge, expertise and relevant experience • Integrity, character and behavioural attributes • Competencies, contribution, commitment and performance • Potential conflicts of interest • Diversity in background, perspectives and demographics In addition, the Company adopts a structured Fit and Proper Policy that sets out specific criteria for the appointment and re-election of Directors, including: • Probity and personal integrity • Financial integrity and sound reputation

	• Relevant qualifications, training and skills • Relevant experience and expertise • Prior performance and track record • Ability to discharge responsibilities effectively considering other commitments • Participation and contribution in the Board This comprehensive approach ensures that the Board remains effective, diverse and aligned with the Group's long-term goals, while upholding the highest standards of corporate governance and accountability. The Company places a strong emphasis on meritocracy and is committed to fostering a diverse and inclusive environment, free from discrimination based on ethnicity, age, or gender, particularly at the Board and Senior Management levels. By embracing a wide range of perspectives, the Company ensures that all appointments to these critical roles are made solely on the basis of merit. This approach underscores the imperative of selecting individuals based on their qualifications and capabilities, reinforcing the Company's dedication to excellence and fairness.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	The process for the appointment of Directors is clearly outlined in the Company's Constitution, Board Charter, and the Terms of Reference of the NC. The NC is responsible for identifying, evaluating, and recommending suitable candidates for Board appointments to ensure the Board maintains the appropriate mix of skills, experience, and diversity. When a vacancy arises or the need to appoint a new Director is identified, the NC assisted by the Company Secretary sources for candidates through various channels. These include sourcing from directors' registries, open advertisements, and independent search firms as well as referrals from existing Board members, Management, major shareholders, and business associates, where appropriate. All candidates are assessed based on a set of established criteria, which includes their integrity, track record, professional qualifications, and ability to contribute to the Group's strategic direction. The NC ensures that the selection process remains objective and merit-based, and any recommendation to the Board is made following careful deliberation and consensus. While there were no new Board appointments during the FYE 2025, the Board is satisfied that the current nomination process remains robust, transparent, and effective in identifying and selecting Directors who align with the Company's values, strategic priorities, and governance expectations.
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	:	In accordance with the Company's Constitution and Paragraph 2.20A of the Main Market Listing Requirements of Bursa Securities, the Directors retiring at the forthcoming AGM have submitted their fit and proper declarations. Upon receipt, the NC conducted a formal assessment of the retiring Directors, evaluating them against key criteria including character, integrity, experience, competence, and commitment of time to effectively discharge their fiduciary duties. Based on the outcome of the assessment, the NC concluded that the retiring Directors satisfied the prescribed fit and proper requirements and recommended their re-election. The Board, having reviewed and concurred with the NC's recommendation, endorsed the proposal for the re-election of the retiring Directors to be tabled for shareholders' approval at the forthcoming AGM. A statement in regards of the foregoing is disclosed in the Explanatory Notes of the Notice of the Twenty-Third AGM enclosed in the Company's Annual Report 2025. In addition, the profiles of the Directors standing for re-election, including details such as age, gender, working experience, professional background, direct and indirect interests in the Company, positions held, and relationships with other Directors (if any), are disclosed 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

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	:	Mr. Kua Choo Kai, who serves as an Independent Non-Executive Director of the Company is the Chairman of the NC.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied
Explanation on application of the practice	:	As at the date of this Report, the Board comprises 42% female representation, demonstrating the Company's commitment to promoting gender diversity at the leadership level. The female Directors serving on the Board are: 1. YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail 2. Ms. Loh Paik Yoong 3. Puan Sabarina Binti Harun
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 5.10

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

Application	:	Applied	
Explanation on application of the practice	:	Following the adoption of the Group-wide Diversity, Equity and Inclusion (“DEI”) Policy on 22 August 2024, the Board continues to uphold its commitment to fostering a diverse, equitable and inclusive workplace across the Group. The DEI Policy, which is available on the Company’s website at www.redtone.com, serves as a guiding framework for promoting inclusive practices in recruitment, development, and decision-making at all levels of the organisation.	
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

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	The Board, through the NC, conducts an annual assessment to evaluate the effectiveness of the Board and the Board Committees, as well as the performance and contribution of each individual Director, including the independence of Independent Directors. 1. Evaluation Criteria a) Board and Board Committees The assessment focuses on the following key areas: • Composition and structure • Board processes and functioning • Adequacy of information and support from Management • Accountability and oversight responsibilities • Overall performance and effectiveness • Standard of conduct and ethical behaviour b) Individual Directors The evaluation of each Director considers: • Competencies, abilities and professional knowledge • Integrity, character and personality • Participation and contribution during Board and Committee meetings, including input on business strategy, performance and sustainability matters • Meeting attendance • Commitment to corporate governance principles • Independence of mind and judgement c) Independent Directors The independence assessment is based on the criteria set out under Paragraph 1.01 and Practice Note 13 of the Main Market Listing Requirements of Bursa Securities, to ensure that Independent Directors remain free from any relationships or circumstances that could affect their independent judgement.

	2. Assessment Methodology • Board and Board Committees: Evaluated through a combination of board reviews and self-assessment questionnaires. • Individual Directors: Assessed via a peer review process, where each Director evaluates their fellow Board members using a standardised set of criteria. • All Directors receive identical assessment forms for consistency and fairness. 3. Process and Reporting The results and comments from the completed assessments are compiled and summarised by the NC. These are then deliberated at the NC meeting, where areas for improvement are identified. The Chairman of the NC reports the outcome of the assessments to the Board for further discussion and action, if necessary. All assessment processes and outcomes are properly documented as part of the Company's commitment to accountability and continuous improvement in governance practices. For the financial year under review, following the completion of the annual assessment, the NC determined that the composition of the Board and its Committees is sound and effective. This conclusion reflects the NC's confidence in the current structure, skills, and diversity of the Board and its Committees, ensuring they are well-equipped to fulfill their governance and oversight responsibilities. The assessment considered factors such as the balance of expertise, independence, gender diversity, and the ability of members to contribute effectively to the organisation's strategic objectives. The NC's determination underscores its commitment to maintaining a robust governance framework that supports the organisation's long-term success.
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	:	The Company has established a formal Remuneration Policy and Procedures for Directors and Senior Management to promote transparency, fairness, and alignment with the Group's strategic objectives. The Policy aims to: • Attract and retain individuals of high calibre with the requisite skills and experience; • Motivate and reward performance that supports the achievement of corporate goals and long-term shareholder value; and • Ensure that remuneration is commensurate with the individual's responsibilities, scope of role, and level of contribution. This structured framework is designed to uphold a fair and competitive remuneration approach that supports sustainable growth and good governance. The Remuneration Policy and Procedures is available on the Company's website at www.redtone.com.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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 Board has established a RC composed entirely of Non-Executive Directors to ensure an objective and transparent process in determining the remuneration of the Board and Senior Management. Each relevant Director abstains from deliberating or voting on matters relating to their own remuneration. The RC is guided by its written Terms of Reference, which form part of the Board Charter and is available on the Company's website at www.redtone.com. The Terms of Reference set out the RC's responsibilities, which include, among others: a) Ensuring that remuneration policies and decisions are made through a transparent and independent process; b) Ensuring that the remuneration of Executive Directors and Senior Management incentivises long-term value creation and sustainable business performance; and c) Recommending to the Board a remuneration framework and remuneration packages for Executive Directors, Non-Executive Directors, and Senior Management that are fair, competitive, and commensurate with their roles, responsibilities, and performance.
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 disclosure of individual Directors' remuneration on a named basis for the FYE 2025, including a breakdown of each Director's remuneration, comprising fees, allowance, salary, bonus, benefits-in-kind, and other emoluments is set out in the table below.

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	YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail	Non-Executive Non-Independent Director	409.8	-	-	-	-	5.8	415.6	409.8	-	-	-	-	5.8	415.6
2	Syed Ali Shahul Hameed	Non-Executive Non-Independent Director	84.0	-	-	-	-	8.6	92.6	84.0	-	-	-	-	8.6	92.6
3	Lau Bik Soon	Executive Director	-	-	-	-	-	-	-	-	95.6	1,056.0	240.0	-	175.8	1,567.4
4	Kua Choo Kai	Independent Director	118.5	-	-	-	-	14.5	133.0	118.5	-	-	-	-	14.5	133.0
5	Dato' Avinderjit Singh A/L Harjit Singh	Independent Director	60.0	-	-	-	-	5.7	65.7	300.0	-	-	-	-	5.7	305.7
6	Loh Paik Yoong	Non-Executive Non-Independent Director	60.0	-	-	-	-	14.7	74.7	60.0	-	-	-	-	14.7	74.7
7.	Sabarina Binti Harun	Independent Director	60.0	-	-	-	-	15.8	75.8	60.0	-	-	-	-	15.8	75.8
8.	Dato' Badrul Hisham Bin Abdul Aziz	Non-Executive Non-Independent Director	8.4	-	-	-	-	-	8.4	8.4	-	-	-	-	-	8.4
9.	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10.	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11.	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

12.	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13.	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14.	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15.	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board has considered this practice and is of the view that disclosing the remuneration of Senior Management on a named basis would not be in the best interest of the Group, due to confidentiality and security concerns, as well as the competitive landscape for talent in the telecommunications industry.	
		REDtone strives to attract and retain top talent. The Board ensures that the remuneration of Senior Management is commensurate with the Company’s performance, with due consideration given to attracting, retaining, and motivating the team to lead and manage the Company effectively. The Board also ensures that excessive remuneration is not awarded under any circumstance.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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	:	The Chairman of the AC is Mr. Kua Choo Kai, an Independent Non-Executive Director, while the Chairman of the Board is YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail, a Non-Independent Non-Executive Director. This separation ensures that the objectivity of the Board’s review of the AC’s findings and recommendations is not impaired. The AC Chairman, together with other members of the AC, ensures, amongst others, that:- (i) The AC is fully informed of significant matters affecting the Group’s audit and financial statements, and such matters are appropriately addressed; (ii) The AC communicates its views, insights, and concerns particularly those impacting financial reporting and audit matters effectively to both Internal and External Auditors; and (iii) There is effective coordination between Internal and External Auditors to ensure comprehensive audit coverage and information sharing.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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 Terms of Reference of the AC include a policy requiring a cooling-off period of at least three (3) years for any former partner of the Company’s external audit firm and/or its affiliate firm before being appointed as a member of the AC. The Terms of Reference of AC which is included in the Board Charter is available on the Company’s website at www.redtone.com.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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 AC conducts an annual review and assessment of the performance, suitability, objectivity, and independence of the External Auditors. This includes evaluating the extent of non-assurance services rendered, which may impair External Auditors' objectivity and independence in their role. A list of permissible non-assurance services by the External Auditors was reviewed and approved by the AC and Board respectively in May 2023. During the financial year under review, the AC revisited the list to ensure its continued relevance and alignment with evolving regulatory expectations and best practices. This review helps mitigate independence risk, in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Code of Ethics for Professional Accountants (including International Independence Standards). As part of its annual assessment for the FYE 2025, the AC evaluated the External Auditors, Ernst & Young PLT, against key criteria including: • Auditor independence; • Quality and effectiveness of audit procedures; and • Adequacy of expertise and resources. The AC also received a written assurance from the External Auditors confirming their independence. The External Auditors have established firm-wide systems on ethics and independence, including policies to ensure objectivity, avoid conflicts of interest, and monitor compliance with ethical standards. Based on the AC's review, the AC is satisfied with the performance and independence of the External Auditors. Accordingly, the AC has recommended, and the Board has no objection to their re-appointment, subject to shareholders' approval at the forthcoming 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

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	:	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 9.5

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 AC collectively possesses a diverse and complementary range of skills, experience, and professional competencies necessary to effectively discharge its responsibilities. The AC members are financially literate, with the ability to understand, analyse, and evaluate financial statements and reporting issues that fall within the scope of the AC's oversight. All AC members demonstrate the requisite level of financial acumen to engage in meaningful discussions with the Management and both Internal and External Auditors on financial reporting and audit matters. The AC's composition includes members with backgrounds in accounting, finance, and business, which enhances the quality of oversight over the Group's financial reporting processes. In addition, all members of the AC undertake continuous professional development, including attending relevant training, seminars, and briefings, to remain updated on changes in accounting and auditing standards, regulatory requirements, and emerging best practices. These efforts ensure that the AC remains effective in discharging its governance and oversight responsibilities in compliance with the Companies Act 2016 and the Main Market Listing Requirements of Bursa Securities.
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 Board has established a sound and effective ERM Framework to safeguard shareholders' interests and the Group's assets. This ERM Framework enables the identification, evaluation, mitigation, and monitoring of significant risks that may affect the achievement of the Group's strategic and operational objectives. The Group's Risk Management Working Committee ("RMWC") headed by the Group CEO and comprising of key management personnel from the respective divisions, reports to the AC and oversees the implementation of the Group's ERM Framework. The RMWC continuously assesses key risks and ensures that appropriate risk mitigation measures are in place. Significant risks and corresponding mitigation actions are reported to the Board through the AC on a periodic basis for review and guidance. The internal control system encompasses financial, operational, compliance, and information technology controls, and is designed to provide reasonable assurance against material misstatement, loss, or fraud. It is supported by the Internal Audit Function, which conducts regular risk-based audits and provides independent assurance on the adequacy and effectiveness of the internal control system. The Board, through the AC and the RMWC, conducts an annual review of the effectiveness of the risk management and internal control system to ensure that it remains robust, responsive, and aligned with the Group's strategic direction and risk appetite. The risk management framework was last reviewed and approved by the Board on 22 August 2024. This structured and integrated approach reflects the Board's commitment to upholding a strong governance culture and ensuring organisational resilience. Details of the Group's risk management and internal control framework are set out in the Statement on 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 10.2

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 Board in its commitment for an effective risk management and internal control framework ensures that the established risk management and internal control system is effectively implemented across the Group to safeguard shareholder interests and organisational assets. The Group's ERM Framework, which was last reviewed and approved by the Board on 22 August 2024, is structured, comprehensive, and aligned with the Principles and Guidelines of ISO 31000:2018. It is adopted across all operating companies within the Group and provides a standardised approach for the identification, evaluation, monitoring, and reporting of key risks and controls. Under the framework: • The Management is responsible for the ongoing identification, evaluation, and mitigation of key risks that may impact the Group's strategic and operational objectives. • Risks are captured in centralised risk registers, which document potential root causes, existing controls, risk ratings, and impact assessments. • Risks are assessed based on their likelihood and severity, with Gross Risk representing exposure before control measures, and Nett Risk reflecting residual risk after controls are applied. This enables Management to prioritise areas that require enhanced mitigation strategies or additional controls. Key risks spanning financial, operational, regulatory, cybersecurity, and sustainability domains are reviewed and updated regularly by the RMWC. These are reported to the AC and the Board on a bi-annual basis, ensuring appropriate oversight and response to evolving risk landscapes. The Internal Audit Function supports the AC by providing independent assurance on the adequacy and effectiveness of the Group's risk management and internal control system through the execution of a risk-based internal audit plan.

	For the FYE 2025, the Board has: - Received assurance from the Group CEO and Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively in all material aspects; and - Reviewed the overall effectiveness of the system and concluded that it is sound, effective, and sufficient to safeguard the Group's assets and the interests of its stakeholders.	
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	:	

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 Internal Audit Function is outsourced to a professional service provider that is independent of the operations and management of the Group, ensuring objectivity and impartiality in the internal audit process. The Internal Auditors report directly to the AC, which oversees the adequacy, independence, and performance of the internal audit function. Internal audit activities are carried out in accordance with a defined internal audit plan, approved by the AC and are guided by the International Professional Practices Framework issued by the Institute of Internal Auditors Inc., a globally recognised professional body for internal auditors. The AC conducts an annual assessment of the internal audit function to ensure its effectiveness, adequacy of scope, competency, and independence. This includes a review of the audit processes, deliverables, and the quality of audit findings and recommendations. The internal auditors have full and unrestricted access to all relevant records, personnel, and property within the Group to carry out their audit work effectively. This access ensures comprehensive coverage of risk areas and supports the internal audit function in providing independent assurance on the adequacy and effectiveness of the Group's internal control system.
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 Company has outsourced its internal audit function to Crowe Governance Sdn. Bhd., an independent professional consulting firm, to ensure objectivity and independence in the review of the adequacy and effectiveness of the Group's risk management and internal control systems. The Internal Auditors are free from any relationships, conflicts of interest, or undue influence that could impair their objectivity and independence. The independence of the Internal Audit function is derived from its direct reporting and unencumbered access to the AC. The Internal Auditors have adequate resources to carry out their audit activities. The outsourced Internal Auditors are headed by Mr. Amos Law, an Executive Director of Crowe Governance Sdn. Bhd., who possesses extensive internal audit experience and professional credentials. He is a Certified Internal Auditor (CIA), a Chartered Member of the Malaysian Institute of Internal Auditors (CMIIA), and holds the Certification in Risk Management Assurance (CRMA). His credentials support the robustness and professionalism of the internal audit activities undertaken for the Group. All internal audit activities were performed in accordance with the International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors Inc., ensuring alignment with globally recognised internal auditing standards. During the financial year under review, the internal audit work as stipulated in the approved Internal Audit Plan was conducted in four (4) separate cycles, each performed by a team of three (3) personnel from Crowe Governance Sdn. Bhd.
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 Board recognises the importance of maintaining effective, timely, transparent and equitable communication with shareholders, investors and the public to promote informed decision-making and uphold stakeholder confidence. In this regard, the Board is committed to ensuring that material information concerning the Group's business and operations is disseminated in a timely and consistent manner to all stakeholders. The Company maintains a dedicated corporate website at www.redtone.com, which serves as a central platform for access to information about the Group. This includes announcements to Bursa Securities, corporate developments, financial results, press releases, investor-related information, promotions, and other key updates. The website is updated regularly to provide current and relevant information to shareholders, consumers, analysts and the general public. In addition, shareholders and the investing public may communicate directly with the Company on investor relations matters through the web enquiry form available on the website. The Company endeavours to respond promptly to all genuine queries received through this channel. To further enhance engagement, the Company actively leverages social media platforms, including Facebook (redtonemalaysia), LinkedIn (redtone), Instagram (redtonemalaysia) and YouTube (redtonemalaysia), to share updates on corporate events, employee initiatives, community activities and other relevant developments. These platforms help broaden the Company's reach and enable real-time interaction with a wider audience. The Annual Report remains a key communication tool, providing comprehensive and transparent disclosures on the Group's financial and operational performance, corporate governance practices, and sustainability efforts. The Annual Report is prepared in accordance with the Main Market Listing Requirements of Bursa Securities and is made available electronically to shareholders upon issuance.

	The Company's AGM also serves as an important forum for direct engagement with shareholders. It provides an opportunity for shareholders to receive updates on the Group's performance, ask questions, and seek clarifications from the Board and Management. Shareholders are encouraged to actively participate and exercise their rights during the AGM. While the Company strives to provide extensive disclosures, it remains mindful of the legal and regulatory framework governing the release of material and price-sensitive information. Such material and price-sensitive information is not released unless it has been duly announced or made public through proper channels.	
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	:	Notice of the Twenty-Second AGM was issued to shareholders at least 28 days prior to the meeting, which exceeds the minimum notice period of 21 days as prescribed under the Companies Act 2016 and the Main Market Listing Requirements of Bursa Securities. The extended notice period allows shareholders sufficient time to consider the resolutions to be tabled at the AGM, seek clarification where necessary, and make informed voting decisions. The Notice of AGM is accompanied by explanatory notes and relevant information to facilitate greater shareholder participation and engagement. The Notice for the Company’s upcoming Twenty-Third AGM to be held on 2 December 2025 is given to the shareholders at least 28 days before the date of holding the Twenty-Third AGM, i.e. 22 October 2025. The same practice will apply to future AGMs 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

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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	During the Company’s Twenty-Second AGM, YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail was absent due to an unforeseen and pressing commitment.	
		Save for YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail, all other Directors were in attendance at the Company’s Twenty-Second AGM which was conducted through live streaming from the broadcast venue on 3 December 2024. Mr. Kua Choo Kai and Dato’ Avinderjit Singh A/L Harjit Singh participated remotely, in accordance with the virtual meeting arrangements.	
		The Board Committees’ Chairmen, the Group CEO, the Chief Financial Officer and the External Auditors were also in attendance during the Twenty-Second AGM to address any questions from the shareholders.	
Large companies are required to complete the columns below. Non-large companies are encouraged to 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	:	Applied
Explanation on application of the practice	:	The Company supports the use of technology to facilitate and enhance shareholder participation at general meetings. In line with this commitment, the Company conducted its Twenty-Second AGM on 3 December 2024 entirely through live streaming from a broadcast venue at Manhattan V, Level 14, Berjaya Times Square Hotel Kuala Lumpur, No. 1, Jalan Imbi, 55100 Kuala Lumpur, Wilayah Persekutuan. Shareholders attended and voted remotely using the Remote Participation and Voting (“RPV”) facilities through the Securities Services e-Portal. To ensure a secure virtual environment, appropriate cyber hygiene measures were implemented, including safeguards to protect data privacy and mitigate cyber threats throughout the conduct of the Twenty- Second 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 13.4

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/ Chairman of the meeting plays an active role in ensuring that general meetings serve as an effective platform for meaningful engagement between the Board, Senior Management, and shareholders. During the Company's Twenty-Second AGM, the Group CEO had provided comprehensive updates on both financial and non-financial performance, as well as the Company's long-term strategies, key initiatives, and sustainability efforts. Presentations were made in a clear and accessible manner to promote understanding and transparency. The Twenty-Second AGM was conducted in an interactive format, providing shareholders with ample opportunity to raise questions and seek clarification on matters concerning the Company. Shareholders were able to submit their questions in real time via a text box within the Securities Services e-Portal during the live streaming of the AGM, or by emailing their questions to the Company in advance. The Board, together with the Group CEO, Chief Financial Officer, and External Auditors, were present to respond to these queries. All questions received were addressed meaningfully and in a timely manner during the meeting. The Company remains committed to maintaining open communication and fostering trust and accountability with its shareholders.
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

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 successfully conducted its Twenty-Second AGM on 3 December 2024 via live streaming and online remote voting through RPV facilities, without any technical disruptions. Recognising the importance of a reliable platform, the Board took proactive measures to ensure a stable and seamless experience for shareholders and proxies participating remotely. The Company again engaged SS E Solutions Sdn. Bhd. as the service provider for the RPV facilities, namely the Securities Services e-Portal, which is equipped with the necessary infrastructure and technical capabilities to support a smooth broadcast and enable real-time shareholder interaction. To encourage active participation, shareholders were invited to submit questions in real time during the meeting through the text box feature on the Securities Services e-Portal during the live streaming. Questions posed during the proceedings were made visible to all participants, promoting transparency and collective engagement. Shareholders also had the option to email questions to the Company in advance of the AGM. Save for YAM Tunku Tun Aminah Binti Sultan Ibrahim Ismail, the Board, including the Chairmen of Board Committees, the Group CEO, the Chief Financial Officer, and the External Auditors, were present to respond directly to shareholders' queries. All questions received were addressed meaningfully and in a timely manner.
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

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	:	The Minutes of the Twenty-Second AGM were made available on the Company's website at www.redtone.com within 30 business days after the Twenty-Second AGM, in accordance with good corporate governance practices.
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.

N/A
