CORPORATE GOVERNANCE REPORT

STOCK CODE	**:**	5357
COMPANY NAME	**:**	SKYECHIP BERHAD
FINANCIAL YEAR	**:**	March 31, 2026

OUTLINE:

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

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA
Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

Practice 1.1
The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	:	Applied
Explanation on application of the practice	:	The Board of Directors of SkyeChip Berhad ("the Company" or "SkyeChip") ("Board") is accountable to shareholders and is responsible for the stewardship, strategic direction and oversight of the business and affairs of the Company and its subsidiaries ("Group"). The Board seeks to ensure that the Group's business objectives are aligned with shareholders' expectations, with the aim of enhancing long-term shareholders' value while considering the interests of other stakeholders. The Board is also responsible for ensuring that the Group's operations are effectively managed in a manner that is aligned with the Group's business objectives, complies with regulatory and ethical standards, and upholds high standards of transparency, accountability and governance. The Board delegates the day-to-day management of the Group's business to the Executive Directors and Key Senior Management. In carrying out their respective roles and responsibilities, all Directors and Key Senior Management are expected to act in good faith, exercise due care, skill and diligence, and uphold the best interests of the Company and the Group. The Board is guided by the Board Charter in the effective discharge of its duties and responsibilities. The Board Charter sets out the roles, responsibilities, structure and processes of the Board and its Committees. The Board has delegated certain responsibilities to the Board Committees, namely the Audit and Risk Management Committee ("**ARMC**"), Nomination Committee ("**NC**"), Remuneration Committee ("**RC**") and Long-Term Incentive Plan Committee ("**LTIP Committee**"), each of which operates within its respective written Terms of Reference ("**TOR**"). The delegation to Board Committees does not absolve the Board of its overall responsibility for the affairs of the Group.

	The Board Charter and TOR for the ARMC, RC, NC and LTIP are published on the corporate website at www.skyechip.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
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 Dato' Seri Wong Siew Hai, the Independent Non-Executive Chairman of the Company, who is responsible for promoting sound corporate governance practices and providing leadership to ensure the effective functioning of the Board. The Board, under the leadership of the Chairman, operates effectively in discharging its responsibilities, ensuring that key and relevant matters are deliberated in a timely manner. Directors are encouraged to actively contribute their views on the Company's affairs and pertinent issues. They are also provided with unrestricted access to Key Senior Management, who will respond to any queries raised by the Directors. The responsibilities of the Chairman of the Board are defined in the Board Charter which is accessible on the corporate website at www.skyechip.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

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 Board recognises the importance of a clearly defined delineation of roles and responsibilities to ensure an appropriate balance of power, accountability and authority within the Group. The positions of Chairman and Chief Executive Officer are held by two distinct individuals, in line with best governance practices, to promote accountability and facilitate an effective separation of functions. This structure mitigates the risk of excessive concentration of authority in a single individual and enhances objectivity in the Board's deliberations and decision-making processes. The Chairman of the Board is Dato' Seri Wong Siew Hai, while Dato' Fong Swee Kiang serves as the Executive Director & Chief Executive Officer ("**CEO**") of the Company. The Chairman is primarily responsible for providing leadership to the Board and ensuring its effective and efficient functioning. He leads the Board in its oversight of management, sets the Board agenda, facilitates constructive discussions, and promotes high standards of corporate governance, sustainability and regulatory compliance. The CEO, on the other hand, is responsible for the day-to-day management of the Group's operations. He leads the implementation of policies, strategies and decisions approved by the Board, and monitors the Group's operational and financial performance against established plans and budgets. The key responsibilities of the CEO are defined in the Board Charter, accessible on the corporate website at www.skyechip.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
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

<table>
<tr><td colspan="3">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'.</td></tr>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">The Chairman of the Board, Dato' Seri Wong Siew Hai, is not a member of the Board Committees, and does not attend or participate in any of their meetings. This enhances the check and balance function as well as objective review by the Board on all matters recommended by the Board Committees.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
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</table>

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 the Company Secretaries, Ms. Ong Tze-En and Ms. Lau Yoke Leng, who are qualified professionals and members of recognised professional bodies, including the Malaysian Institute of Chartered Secretaries and Administrators, and are duly qualified under the Companies Act 2016. The Company Secretaries play a pivotal role in advising the Board on corporate governance matters and ensuring compliance with the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**MMLR**"), as well as other applicable laws, regulations and best practices. The Company Secretaries stay up to date with changes in relevant laws, regulations and best practices, particularly those pertaining to corporate governance, to effectively support the Board in discharging its duties. The roles and responsibilities of the Company Secretaries are formalised in the Board Charter, which serves as a key reference in the discharge of their duties and functions. The Company Secretaries regularly update and advise the Board on statutory and regulatory developments to facilitate the adoption of best practices in corporate governance, thereby enhancing the effectiveness of the Board and ensuring ongoing compliance with applicable requirements. In addition, the Company Secretaries provide timely and unhindered advice and support to the Directors as and when required, to enable the Board to function efficiently and discharge its responsibilities effectively.
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
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 of meetings of the Board and Board Committees are circulated via email to the Directors at least five (5) business days prior to the scheduled meeting date(s). Corresponding notifications are also extended to the relevant management, including timelines for the submission of meeting materials, which are typically required at least five (5) business days in advance of the meeting. In exceptional circumstances where urgent matters arise, a shorter notice may be provided for Special Board Meetings, subject to the consent of all Directors. Following each meeting, draft minutes are circulated to the Directors for their review and comments to ensure that the proceedings accurately reflect the Board's deliberations and decisions. The minutes are subsequently confirmed and approved at the next meeting and signed by the Chairman as a true and correct record of the proceedings. The Company Secretaries extract the relevant action items from the draft minutes and communicate them to management for appropriate follow-up. Outstanding matters arising from the meetings are tracked and monitored, and are presented to the Board for review at subsequent meetings until such matters are duly resolved.	
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 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 has adopted a Board Charter, which serves as a primary reference for Directors in the effective discharge of their duties and responsibilities. The Board Charter outlines the Company's governance framework and clearly delineates the respective roles and responsibilities of the Board, Board Committees and individual Directors. The Board Charter is made available on the Company's website at www.skyechip.com and is periodically reviewed and updated to take into consideration the needs of the Company as well as any development in relevant rules, regulations, and laws that may have an impact on the discharge of the Directors' duties and responsibilities.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

The 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 Company has adopted a Code of Conduct & Ethics which sets out the standards of conduct expected of Directors, management and employees of the Group. The Code of Conduct & Ethics serves as a guiding framework in promoting ethical business conduct, integrity, accountability, transparency, professionalism and compliance with applicable laws and regulations. It covers, among others, matters relating to conflict of interest, protection of company assets and information, gifts and hospitality, insider trading, anti-money laundering, whistleblowing, sustainable business practices, and compliance with legal and regulatory requirements. In reinforcing its commitment to ethical and responsible business conduct, the Company has also established an Anti-Bribery and Corruption Policy ("**ABC Policy**"), which reflects the Group's zero-tolerance approach towards bribery, corruption and any form of improper conduct. The ABC Policy provides guidance on identifying and managing bribery and corruption risks, and outlines the procedures for reporting suspected misconduct without fear of retaliation. The Board is committed to fostering a culture of integrity, accountability and transparency across the Group, and to ensuring that all business activities are conducted in an ethical, responsible and corruption-free manner. Both the Code of Conduct and Ethics and the ABC Policy support the Group's efforts to enhance stakeholder confidence and promote the highest standards of corporate governance. The Code of Conduct and Ethics and the ABC Policy are available on the Company's website at www.skyechip.com.
Explanation for departure :	

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</table>

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 has adopted a Whistleblowing Policy to provide a secure and confidential channel for Directors, officers, employees and other stakeholders to report, in good faith, any actual or suspected misconduct, unlawful or unethical behaviour, fraud, corruption, abuse of authority, conflicts of interest, breaches of policies, or other improper conduct. The Whistleblowing Policy is designed to encourage the timely reporting of genuine concerns by providing appropriate safeguards against retaliation, victimisation, harassment or discrimination, to the extent practicable and permitted by law. The Board regards whistleblowing as an important component of the Group's governance framework, promoting transparency, accountability, integrity and ethical conduct throughout the organisation. The policy serves to strengthen stakeholder confidence by ensuring that concerns can be raised and addressed in a responsible and effective manner. The Whistleblowing Policy is available on the Company's website at www.skyechip.com. During financial year ended 31 March 2026 ("**FYE 2026**"), there was no whistleblowing report received by the ARMC.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 4.1
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 recognises that sustainability is an integral part of the Group's corporate governance framework and long-term value creation. The Board is responsible for overseeing the Group's sustainability governance, including sustainability strategies, priorities, targets and performance relating to economic, environmental and social considerations. The Executive Directors and Key Senior Management are responsible for implementing sustainability initiatives and reporting key sustainability matters to the Board, where applicable. Further information on the Group's sustainability approach and performance is set out in the Sustainability Statement in the Annual Report 2026.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.2

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 recognises the importance of transparent communication with stakeholders on the Group's sustainability agenda and performance. Through the Sustainability Statement in the Annual Report 2026, the Company provides stakeholders with relevant information on its sustainability priorities, strategies, initiatives, targets and progress towards achieving those targets. The Sustainability Statement outlines the Group's approach to managing material sustainability matters and provides an overview of its sustainability performance during the financial year, enabling stakeholders to better understand the Group's commitment to creating long-term sustainable value.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 4.3
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 Directors remain abreast of relevant sustainability developments, emerging sustainability issues, and climate-related risks and opportunities through participation in training programs, seminars and briefings, enabling them to strengthen their knowledge and provide effective oversight of sustainability matters. The Board, through the NC, oversees the training and development of Directors and reviews their ongoing development needs. However, each Director remains responsible for assessing and undertaking the training necessary to effectively discharge his or her duties, taking into consideration the business environment, regulatory developments, the Group's operations, and his or her role and contribution to the Board and Board Committees. The Board is committed to ensuring that Directors are provided with appropriate training and resources to strengthen their sustainability knowledge and competencies, thereby supporting the effective implementation of the Group's sustainability strategy and objectives.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application :	Departure	
Explanation on application of the practice :		
Explanation for departure :	The composition of the Board was established as part of the Company's initial public offering ("**IPO**") preparation process. The appointment of Directors was undertaken following a comprehensive due diligence and evaluation exercise conducted with the involvement of the Company's principal adviser and legal advisers as part of the overall IPO due diligence process. Consequent to the due diligence exercise, the Board is satisfied that the Directors possessed the requisite integrity, competence, experience, commitment and independence necessary to discharge their duties and responsibilities effectively. There were also no new appointments to the Board, no resignations of Directors, no Board Committee restructuring, and no succession planning matters requiring the NC's consideration during FYE 2026. As the Company was listed on 20 May 2026, no formal performance evaluation of the Board and Key Senior Management was conducted for the financial year under review. Moving forward, the Board will conduct annual performance assessments and will incorporate sustainability-related considerations into the evaluation process.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

Practice 4.5- Step Up
The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.		
Application	:	Adopted
Explanation on adoption of the practice	:	The Finance Director is the designated person responsible for driving the Group's sustainability initiatives and ensuring that sustainability considerations are strategically embedded across the Company's operations.

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	:	The Company was listed on the Main Market of Bursa Securities on 20 May 2026. Prior to the listing, all Directors were appointed following a comprehensive due diligence, assessment and selection process undertaken as part of the IPO exercise, with the involvement of the Company's principal adviser and legal advisers. The assessment considered, among others, the Directors' integrity, competence, experience, qualifications, independence, time commitment and ability to contribute effectively to the Board. The NC is responsible for reviewing the composition of the Board, the tenure of Directors and matters relating to the re-election and re-appointment of Directors in accordance with its Terms of Reference and the Company's Directors' Fit and Proper Policy. As the Board was only recently constituted in connection with the IPO exercise, there were no changes to the Board composition or tenure-related concerns requiring the NC's consideration during the period under review. The Board is satisfied that the current composition provides an appropriate balance of skills, experience, expertise, independence and diversity to support the Group's strategic objectives and governance requirements. Accordingly, no separate performance evaluation of the Directors was undertaken during the period, as the Directors had recently undergone a rigorous assessment process as part of their appointments. The NC and the Board will continue to review the composition, effectiveness, tenure and contributions of Directors on an ongoing basis and will consider these factors when making recommendations on the re-election of Directors in future.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure :		
Timeframe :		

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

Practice 5.2
At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application :	Applied		
Explanation on application of the practice :	The current Board composition, with four out of six Board members being Independent Non-Executive Directors ("**INEDs**"), provides an appropriate balance of independence, expertise and experience, enabling effective oversight and objective decision-making. Collectively, the Directors bring a diverse range of skills, industry knowledge and commercial experience, allowing the Board to provide sound judgement on matters relating to the Group's strategy, operations, risk management, resource allocation and business conduct.		
Explanation for departure :			
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure :			
Timeframe :			

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

Practice 5.3
The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

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

Application	:	Applied	
Explanation on application of the practice	:	As at the date of this report, none of the INEDs has served on the Board for a cumulative term exceeding nine (9) years.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 5.4 - Step Up
The board has a policy which limits the tenure of its independent directors to nine years without further extension.

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	:	Adopted
Explanation on adoption of the practice	:	As set out in the Board Charter, the tenure of an INED shall not exceed a cumulative or consecutive term of nine (9) years. Upon completion of the ninth (9th) year, the director shall not continue to serve on the Board in the capacity of an Independent Director.

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 was listed on the Main Market of Bursa Securities on 20 May 2026. Prior to the listing, all Directors were appointed following a comprehensive due diligence, assessment and selection process undertaken as part of the IPO exercise, with the involvement of the Company's principal adviser and legal advisers. In addition to assessing candidates' integrity, competence, experience, qualifications, independence, time commitment and ability to contribute effectively, consideration was also given to achieving an appropriate diversity of skills, experience, age, cultural background and gender on the Board. The Board is committed to ensuring that appointments to the Board and Key Senior Management are based on objective criteria, merit and suitability, taking into consideration the skills, experience, knowledge, expertise, age, cultural background and gender required to meet the Group's present and future needs. The Board strives to promote diversity and does not discriminate on the basis of race, ethnicity, age, gender, nationality, political affiliation, religious belief, marital status, educational background, physical ability or geographical region. Appointments are made on merit, having due regard to the benefits of a diverse and appropriately balanced leadership team. In making recommendations on appointments and re-appointments, the NC considers the diversity, balance and overall effectiveness of the Board and Key Senior Management, while ensuring that candidates possess the character, integrity, competence, experience and sufficient time commitment required to discharge their responsibilities effectively. As at the date of the report, none of the Directors of the Company hold more than five directorships in listed issuer. The TOR of the NC is available on corporate website at www.skyechip.com.

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</table>

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

Practice 5.6
In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

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

Application :	Departure	
Explanation on application of the practice :		
Explanation for departure :	During FYE 2026, there were no new appointments to the Board and, accordingly, the NC did not undertake any director search or selection exercise during the financial year. As such, the Company did not formally utilise independent external search firms or other independent sources for director appointments during the period under review. Nevertheless, in evaluating potential candidates for future Board appointments, the NC may consider candidates identified through a variety of sources, including existing Directors, management, major shareholders, professional advisers, industry contacts, independent databases and executive search firms, where appropriate. Any proposed appointment will be subject to a formal assessment process in accordance with the NC's TOR and the Company's Directors' Fit and Proper Policy, and will require the approval of the Board. The Directors’ Fit and Proper Policy is available on the Company’s website at www.skyechip.com.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

Practice 5.7
The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied	
Explanation on application of the practice	:	The NC assessed the performance of the Directors who are seeking re-election at the annual general meeting ("**AGM**") before recommending them to the Board for consideration. The Board will then recommend the re-election of retiring Directors to the shareholders for their approval at the AGM of the Company. All Directors standing for re-election had abstained themselves from deliberation and voting during the NC and/or Board meeting, as appropriate. The profiles of the Directors are disclosed in the Annual Report 2026 and published on the Company's website. Information included their age, gender, tenure of service, directorships in other companies, working experience and any conflict of interest. A statement of support (on Directors who are standing for re-election as Directors) by the Board is inserted in the Explanatory Notes under the Notice of AGM for circulation to the shareholders.	
Explanation for departure	:		
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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.

<table>
<tr><td>Application</td><td>:</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice</td><td>:</td><td colspan="2">The NC is chaired by Norinne Ira Dewal Binti Md Ali, an INED. Information on Norinne Ira Dewal Binti Md Ali is disclosed under Profile of Board of Directors in the Annual Report 2026.

The current composition of the NC is as tabulated:

<table><tr><th>No.</th><th>Name</th><th>Designation</th></tr><tr><td>1</td><td>Norinne Ira Dewal Binti Md Ali</td><td>Chairman</td></tr><tr><td>2</td><td>Dato’ Seri Gooi Soon Chai</td><td>Member</td></tr><tr><td>3</td><td>Datuk Alexandra Chin @ Fui Lin, J.P.</td><td>Member</td></tr></table></td></tr>
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<tr><td>Timeframe</td><td>:</td><td></td><td></td></tr>
</table>

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	:	During the financial year under review, there are two (2) female Directors, namely Datuk Alexandra Chin @ Fui Lin, J.P. and Norinne Ira Dewal Binti Md Ali, representing approximately 33.3% of the Board. The Board recognises that gender diversity enhances the quality of discussions and decision-making by bringing a broader range of perspectives, experiences and insights to Board deliberations, thereby contributing to more effective governance and oversight.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 5.10
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	:	The Board has adopted a Board Diversity Policy which sets out the approach of the Company towards ensuring a balanced and diverse Board composition in line with the MMLR and the MCCG. There are two (2) women Directors out of a total of six (6) Directors, representing approximately 33.3% of the Board composition. This is in line with the MCCG recommendation that at least 30% of the Board comprise of women directors. The Board recognises the value of diversity in enhancing the quality of decision-making and governance through the contribution of varied perspectives, experiences and insights.	
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.

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.		
Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The NC is responsible for overseeing the annual assessment of the effectiveness of the Board, Board Committees and individual Directors. The assessment framework includes, among others, the effectiveness of the Board and Board Committees, the contribution and performance of individual Directors, the effectiveness of the ARMC and its members, and the independence of the INEDs. Ordinarily, the assessment would be conducted through evaluation questionnaires completed by the Directors, with the results compiled by the Company Secretaries and presented to the NC for review and recommendation to the Board. As the Company was only listed on the Main Market of Bursa Securities on 20 May 2026, no formal Board evaluation was undertaken for FYE 2026. Prior to the IPO, all Directors had undergone a comprehensive due diligence, assessment and selection process as part of the IPO exercise, which included consideration of their integrity, competence, experience, qualifications, independence, time commitment and ability to contribute effectively to the Board. The NC will conduct its first formal annual assessment of the Board, Board Committees and individual Directors for FYE 2027.
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure :		
Timeframe :		

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

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

Practice 7.1
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 Board has established the Remuneration Policy & Procedures to guide the Board and the RC in the administration of the remuneration of Directors and Key Senior Management. The policy is designed to attract, motivate and retain experienced, qualified and high-calibre Directors and Key Senior Management, while ensuring that remuneration practices are aligned with the Company's business strategy, objectives, values and long-term interests. It also seeks to promote sustainable growth and support the achievement of the Group's strategic goals. In determining remuneration, due consideration is given to factors such as the individual's qualifications, skills, experience, responsibilities and performance, as well as the complexity of the business, the Group's overall performance and prevailing market benchmarks to ensure that remuneration remains competitive and commensurate with the respective roles and responsibilities. The Remuneration Policy and Procedures are available on the Company's website at www.skyechip.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

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.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">The RC comprises solely of INEDs and its composition is as follows:
<table><tr><th>No.</th><th>Name</th><th>Designation</th></tr><tr><td>1</td><td>Dato' Seri Gooi Soon Chai</td><td>Chairman</td></tr><tr><td>2</td><td>Datuk Alexandra Chin @ Fui Lin, J.P</td><td>Member</td></tr><tr><td>3</td><td>Norinne Ira Dewal Binti Md Ali</td><td>Member</td></tr></table>
The TOR of the RC is published on the Company's website at www.skyechip.com.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

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	:	Details of the remuneration of each individual Director for FYE 2026 are 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	Dato' Seri Wong Siew Hai	Independent Non-Executive Chairman	48	3	-	-	-	-	51	48	3	-	-	-	-	51
2	Dato' Fong Swee Kiang	Non-Independent Executive Director and Chief Executive Officer	-	4	817	-	-	157	978	-	4	817	-	-	157	978
3	Teh Chee Hak	Non-Independent Executive Director and Chief Technology Officer	-	4	843	-	-	260	1107	-	4	843	-	-	260	1107
4	Dato' Seri Gooi Soon Chai	Independent Non-Executive Director	30	3	-	-	-	-	33	30	3	-	-	-	-	33
5	Datuk Alexandra Chin @ Fui Lin, J.P.	Independent Non-Executive Director	30	3	-	-	-	-	33	30	3	-	-	-	-	33
6	Norinne Ira Dewal Binti Md Ali	Independent Non-Executive Director	30	3	-	-	-	-	33	30	3	-	-	-	-	33
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

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

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">Instruction – Please disclose the required information in the table below. Sole reference to the annual report, without disclosing the required information in the table provided is not allowed.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	CHIN ENG FOOK	Chief information Officer	350,001-400,000	0-50,000	Choose an item.	Choose an item.	0-50,000	400,001-450,000
2	CHONG LAI HOCK	Chief Operation Officer	650,001-700,000	0-50,000	0-50,000	Choose an item.	50,001-100,000	800,001-850,000
3	GALVIN WONG	FINANCE DIRECTOR	200,001-250,000	0-50,000	Choose an item.	Choose an item.	0-50,000	300,001-350,000
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 :	This is not adopted in view that the Company does not fall within the definition of "Large Companies".

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 positions of the Chairman of the Board and the Chairperson of the ARMC are held by separate individuals. The Chairperson of the ARMC is Datuk Alexandra Chin @ Fui Lin, J.P., an INED while Chairman of the Board is Dato' Seri Wong Siew Hai.	
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 :	This is incorporated in the TOR of the ARMC where a cooling off period of at least three (3) years is required before any former partner of the external audit firm and/or the affiliate firm (including those providing advisory services, tax consulting, etc) could be appointed as member of the ARMC. To-date, the Company has not appointed any former audit partner of the external auditors (and/or affiliate firms) to be a member of the ARMC. The TOR of the ARMC is available on the Company's website at www.skyechip.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.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">The ARMC reviewed and monitored the suitability and independence of the external auditors. As part of the annual audit process, the ARMC obtains written assurance from the external auditors confirming that they have remained independent throughout the audit engagement and have complied with all relevant professional and regulatory requirements.

Upon reviewing the assurance received and being satisfied with Grant Thornton Malaysia PLT, the external auditors’ independence and performance, the ARMC recommends their re-appointment to the Board for approval.

In assessing the suitability of the External Auditors, the ARMC also takes into consideration factors such as their professional qualifications, expertise, industry experience, reputation, resources, audit quality and overall performance before recommending their re-appointment.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The ARMC is comprised solely of INEDs and its composition is as below: **No.** / **Name** / **Designation** 1 / Datuk Alexandra Chin @ Fui Lin, J.P. / Chairman 2 / Norinne Ira Dewal Binti Md Ali / Member 3 / Dato' Seri Gooi Soon Chai / Member

No.	Name	Designation
1	Datuk Alexandra Chin @ Fui Lin, J.P.	Chairman
2	Norinne Ira Dewal Binti Md Ali	Member
3	Dato' Seri Gooi Soon Chai	Member

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.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">All members of ARMC are financially literate and able to understand matters under the purview of the ARMC including the financial reporting process.

The ARMC members collectively:
(a) have sufficient understanding and knowledge of the business and industry in which the Group operates; and

(b) have the ability to understand key business and financial risks and related controls and control processes.

During FYE 2026, the ARMC members have participated in training programmes to keep themselves abreast of relevant developments in regulatory and compliance as well as accounting and auditing standards, practices and rules.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

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 an Enterprise Risk Management ("**ERM**") Framework to facilitate the systematic identification, assessment, monitoring and reporting of risks across the Group. The ERM Framework provides a structured and consistent approach for management to identify, evaluate and manage key risks in alignment with the Group's strategic objectives, business priorities, risk appetite and operating environment. The Board, with the support of the ARMC, will undertake reviews of the adequacy and effectiveness of the Group's risk management and internal control systems to ensure their continued relevance, robustness and integrity. Details on the ERM Framework and internal control system of the Group are set out in the Statement on Risk Management and Internal Control ("**SORMIC**") of the Company's Annual Report 2026.	
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
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.

<table>
<tr><td>Application</td><td>:</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice</td><td>:</td><td colspan="2">The Board has disclosed the features of its risk management and internal control framework, and the adequacy and effectiveness of the framework in the SORMIC of the Company's Annual Report 2026.</td></tr>
<tr><td rowspan="2">Explanation for departure</td><td rowspan="2">:</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="4">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure</td><td>:</td><td colspan="2"></td></tr>
<tr><td>Timeframe</td><td>:</td><td></td><td></td></tr>
</table>

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

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

Practice 10.3 - Step Up
The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application	:	Adopted
Explanation on adoption of the practice	:	Risk management oversight forms part of the responsibilities of the ARMC. The ARMC comprises solely INEDs and assists the Board in overseeing the adequacy and effectiveness of the Group's risk management framework, policies, processes and internal control systems. Accordingly, the Board is of the view that the intent of this practice has been met.

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	In preparation for its listing on the Main Market of Bursa Securities, the Company engaged Axcelasia Sdn. Bhd. ("Axcelasia"), an independent professional consulting firm, as the Internal Control Review Consultant ("ICR Consultant") to assess the adequacy and effectiveness of the Group's systems, procedures and internal controls prior to its IPO on 20 May 2026. The ICR Consultant is independent of the Group's activities and operations. In performing its review, the ICR Consultant was granted unrestricted access to the Group's relevant personnel and physical properties. The internal control review report was forwarded to the respective management personnel for their attention and appropriate action. Management formulated and implemented corrective action plans and provided written responses to the ICR Consultant on the actions taken to address the findings and recommendations. The Board recognises that maintaining a sound system of internal control and risk management is a continuous responsibility of both the Board and management. In discharging this responsibility, the Board and management will continue to review and enhance the Group's internal control and risk management framework, taking into consideration changes in the Group's risk profile and the evolving operating environment. The Group’s internal audit function has been outsourced to Axcelasia with effect from FYE 2027. Axcelasia will report functionally to the ARMC and works administratively with the Finance Director, where applicable, in carrying out its internal audit responsibilities. The internal audit function is responsible for independently reviewing and assessing the adequacy and effectiveness of the Group’s risk management, internal control and governance processes, and for providing recommendations for continuous improvements. Information relating to the internal audit function is stated in the ARMC Report of the Company’s Annual Report 2026.

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company did not have an internal audit function during FYE 2026 as it was listed on the Main Market of Bursa Securities on 20 May 2026. Prior to the IPO, the Group underwent extensive due diligence and internal control reviews conducted as part of the IPO exercise. Following the IPO, the Board approved the appointment of Axcelasia, an independent professional services firm, to provide internal audit services with effect from FYE 2027. The internal audit function will be carried out in accordance with the International Professional Practices Framework ("**IPPF**") issued by The Institute of Internal Auditors Malaysia ("**IIAM**").	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

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

Practice 12.1
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, transparent and regular communication with shareholders, investors and other stakeholders. The Board is committed to ensuring that stakeholders are kept informed of the Group's performance, key developments, strategic direction and material matters in a timely, accurate and balanced manner. Following its listing on the Main Market of Bursa Securities on 20 May 2026, the Company communicates with its shareholders and stakeholders through various channels, including Annual Reports, quarterly financial results, announcements released to Bursa Securities, general meetings, the Company's corporate website, press releases and media engagements and other investor relations initiatives, where appropriate. The Company's website at www.skyechip.com serves as an important communication platform for stakeholders, providing access to corporate information, financial reports, annual reports, corporate governance disclosures, announcements and other relevant updates relating to the Group. Through these communication channels, the Board seeks to promote transparency, facilitate constructive engagement and foster a better understanding of the Group's business, performance and governance practices among its stakeholders.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	

Timeframe :		

Intended Outcome

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

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

Practice 12.2

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

Application :	Not applicable – Not a Large Company	
Explanation on application of the practice :		
Explanation for departure :	This is not adopted in view that the Company does not fall within the definition of "Large Companies".	
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 13.1

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

<table>
<tr><td>Application</td><td>:</td><td colspan="2">Departure</td></tr>
<tr><td>Explanation on application of the practice</td><td>:</td><td colspan="2"></td></tr>
<tr><td rowspan="2">Explanation for departure</td><td rowspan="2">:</td><td colspan="2">The Company was listed on the Main Market of Bursa Securities on 20 May 2026 and did not hold an AGM as a listed issuer during the financial year under review.

Accordingly, the Company did not have the opportunity to demonstrate compliance with this practice during FYE 2026.</td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="4">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure</td><td>:</td><td colspan="2">The Company’s forthcoming 2nd AGM, which will be its first AGM as a listed issuer, is scheduled to be held on 15 August 2026. The Company will provide shareholders with a minimum notice period of twenty-eight (28) days for the forthcoming 2nd AGM and future annual general meetings, to facilitate informed shareholder participation and engagement.</td></tr>
<tr><td>Timeframe</td><td>:</td><td></td><td></td></tr>
</table>

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.

<table>
<tr><td>Application</td><td>:</td><td colspan="2">Departure</td></tr>
<tr><td>Explanation on application of the practice</td><td>:</td><td colspan="2"></td></tr>
<tr><td rowspan="2">Explanation for departure</td><td rowspan="2">:</td><td colspan="2">The Company was listed on the Main Market of Bursa Securities on 20 May 2026 and did not convene any general meeting as a listed issuer during the financial year under review.

As such, the Company did not have the opportunity to demonstrate compliance with this practice during the financial year under review.

The Company's forthcoming 2nd AGM, which will be its first AGM as a listed issuer, is scheduled to be held on 15 August 2026. All Directors are expected to attend the AGM to engage with shareholders and respond to questions relating to matters within their respective areas of responsibility.</td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="4">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure</td><td>:</td><td colspan="2">Barring any unforeseen circumstances, all Directors will attend the forthcoming 2nd AGM. The Chairman of the ARMC, NC, RC and LTIP Committee will also be present at the forthcoming 2nd AGM to respond to relevant questions raised by shareholders within their respective areas of responsibility.</td></tr>
<tr><td>Timeframe</td><td>:</td><td></td><td></td></tr>
</table>

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

Practice 13.3
Listed companies should leverage technology to facilitate–
- voting including voting in absentia; and
- remote shareholders’ participation at general meetings.

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

Application :	Departure	
Explanation on application of the practice :		
Explanation for departure :	The forthcoming 2nd AGM, which will the Company’s first AGM as a listed issuer, will be conducted as a physical meeting at an easily accessible venue. As such, the Company has not adopted this practice for the 2nd AGM. The Board is of the view that a physical meeting will provide shareholders with a direct and effective platform to engage with the Directors and Key Senior Management. The 2nd AGM will provide shareholders with the opportunity to seek clarification and raise questions on the Group’s business operations, financial performance, corporate governance, utilisation of IPO proceeds, strategic direction and other matters arising from the Company’s Annual Report 2026. Shareholders who are unable to attend the meeting in person may appoint proxies to attend and vote on their behalf in accordance with the Company's Constitution. To uphold transparency and integrity in the voting process, all resolutions tabled at the 2nd AGM will be voted on by way of poll and the results will be verified by an Independent Scrutineer. The poll results will be announced to Bursa Securities on the same day following the conclusion of the 2nd AGM.	
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 13.4

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 :	Departure	
Explanation on application of the practice :		
Explanation for departure :	The Company was listed on the Main Market of Bursa Securities on 20 May 2026 and did not hold any general meeting as a listed issuer during the financial year under review. Accordingly, the Company did not have the opportunity to demonstrate compliance with this practice during FYE 2026.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :	The Company's forthcoming 2nd AGM, which will be its first AGM as a listed issuer, is scheduled to be held on 15 August 2026. At the 2nd AGM, the Chairman will ensure that shareholders are provided with a reasonable opportunity to raise questions and seek clarification on the Company's affairs and the resolutions proposed. The Board, Key Senior Management and relevant professional advisers will endeavour to respond to questions raised by shareholders during the meeting.	
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.

<table>
<tr><td colspan="3">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.</td></tr>
<tr><td>Application :</td><td colspan="2">Not applicable – only physical general meetings were conducted in the financial year</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2"></td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

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.

<table>
<tr><td colspan="4">Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</td></tr>
<tr><td>Application</td><td>:</td><td colspan="2">Departure</td></tr>
<tr><td>Explanation on application of the practice</td><td>:</td><td colspan="2"></td></tr>
<tr><td rowspan="2">Explanation for departure</td><td rowspan="2">:</td><td colspan="2">The Company was listed on the Main Market of Bursa Malaysia Securities Berhad on 20 May 2026 and did not hold any general meeting as a listed issuer during the financial year under review.

As such, the Company did not have the opportunity to implement this practice during the financial year under review.</td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="4">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure</td><td>:</td><td colspan="2">The Company's forthcoming 2nd AGM, which will be its first AGM as a listed issuer, is scheduled to be held on 15 August 2026. Following the AGM, the Company intends to publish the minutes of the meeting on its corporate website within the prescribed timeframe in accordance with this practice.</td></tr>
<tr><td>Timeframe</td><td>:</td><td></td><td></td></tr>
</table>

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

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

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