

CORPORATE GOVERNANCE OVERVIEW STATEMENT

INTRODUCTION

The Board has a pivotal role in leading the management of the Company and fostering good corporate governance practices within the organisation. This statement articulates the application of the corporate governance practices by the Company under the leadership and guidance of the Board during the FYE 2025. The Audit and Risk Management Committee monitors the Company's compliance with the Malaysian Code on Corporate Governance ("MCCG").

This overview is presented in compliance with Paragraph 15.25(1) of the LR with guidance drawn from Practice Note 9 of the LR and MCCG and is a summary of the CG Report 2025 which is available on Superlon's website.

This statement encompasses three key Corporate Governance Principles as set out in the MCCG, which are:

- (a) Board Leadership and Effectiveness
- (b) Effective Audit and Risk Management; and
- (c) Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Responsibilities

The Board sets the strategic direction of the Superlon Group, establishes the mission and visions for the management and monitors its performance and achievement of its objectives and goals. The Board is responsible for the overall strategic planning, risk management, system of internal controls, key policies and corporate governance within the Group. The Board is committed to practising good corporate governance to steer the Superlon Group towards enhancing business value and long term value for its stakeholders as the underlying principle in discharging its responsibilities.

There is a clear distinction of roles and responsibilities between the Chairman and the Managing Director. The Chairman is non-executive and is primarily responsible for Board effectiveness and conduct whilst the Managing Director cum CEO is responsible for the day-to-day business affairs, organisational effectiveness and implementation of Board policies and decisions. The Managing Director acts as a conduit between the Board and the management in overseeing the operating units together with the Executive Directors. The Board delegates some of its authorities and discretion to the Board Committees, Managing Director cum CEO, Executive Directors and management.

An agenda with the relevant information to be deliberated on is given to every Director at least five (5) business days prior to the Board meetings. Minutes for every Board meeting are circulated to all Directors for their perusal prior to confirmation and adoption at the following Board meeting. All Directors have unrestricted access to the information of the Group as well as advice of the company secretary, external auditors and internal auditors whether as a full board or in their individual capacity, in the furtherance of their duties. All Independent Directors have access to the Managing Director cum CEO and Executive Directors should there be any clarification or explanations sought on any aspects of the Group's operations or management matters.

A Director who has a direct or indirect interest in any proposal or transaction, which is being presented for the Board's approval, will declare his or her interest and abstain from deliberation and voting of the same at the Board meeting. All conflicts of interests and potential conflicts of interest are disclosed and recorded in the minutes of the meeting. The Audit and Risk Management Committee reviewed and reported to the Board, the conflict of interest situations involving the Directors and/or senior management that arose, persist or may arise together with the measures taken to minimise the risks.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT
(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1. Board Responsibilities (Cont'd)

The Board acknowledges the significance of regular training and professional development for its Directors to serve effectively and keep abreast with economic and business developments. During the financial year, the Board evaluated and assessed the training needs of the Board and the Directors attended various relevant training programmes, seminars, trades shows organised by the relevant regulatory bodies and professional bodies. This initiative aimed to enhance their knowledge on the pertinent changes in law, regulations and the business environment, as follows:-

Name of Directors	Course title/Organiser
Chun Kwong Pong	- Mandatory Accreditation Programme Part II: Leading for Impact - Navigating Recent Developments in Sustainability Reporting - ASEAN Investment Conference 2025 - Johor-Singapore Special Economic Zone Business Opportunities - Malaysia Real Estate Investment Trusts Reconfigured: Growth Markets, Prospects & Alternative Asset Classes
Liu Lee, Hsiu-Lin (also known as Jessica Hsiu-Lin Liu)	- International Air-Conditioning, Heating, Refrigerating Exposition ("AHR Expo") USA 2025 - AusFitness Industry Trade Show & Summit - Mandatory Accreditation Programme Part II: Leading for Impact - Air-Conditioning, Refrigeration & Ventilation Exhibition Malaysia ("MARVEX") 2024
Liu Han-Chao	- AHR Expo USA 2025 - Mandatory Accreditation Programme Part II: Leading for Impact - MARVEX 2024 - AusFitness Industry Trade Show & Summit - FIBO Cologne 2025 - PHILCONSTRUCT Manila 2024
Liu Jeremy	- Mandatory Accreditation Programme Part II: Leading for Impact - MARVEX 2024
Ongi Cheng San	- Mandatory Accreditation Programme Part II: Leading for Impact - Carbon Accounting for Chief Financial Officers and Finance Professionals - Bursa Academy: Conflict of Interest ("COI") and Governance of COI
Lim Wai Loong	- Shariah Registered Financial Planner Programme - Mandatory Accreditation Programme Part II: Leading for Impact - Anti-Money Laundering & Counter Financial Terrorism 2024 - Anti-Bribery & Corruption 2024 - Data Privacy & Information Security Awareness 2024 - Foreign Account Tax Compliance Act & Common Reporting Standard Training 2024
Lin, Po-Chih	- Mandatory Accreditation Programme Part II: Leading for Impact - E-Invoicing Intensive 2-Day Training Workshop
Lee Mei Hsiang	- Mandatory Accreditation Programme Part II: Leading for Impact - E-Invoice implementation Forum for Small and Medium Enterprises

In addition, the Company Secretary regularly updates the Board on changes in the LR and/or other regulatory requirements which are relevant to the Company, including sustainability requirements and provides advice on compliance and corporate disclosure matters.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1. Board Responsibilities (Cont'd)

Board meetings are scheduled quarterly with additional meetings to be convened as and when required. During the financial year ending 30 April 2025, the Board met a total of five (5) times. The attendance of the Directors who held office during the financial year is set out below:-

Name of Directors	Attendance at meetings
Chun Kwong Pong	5/5
Liu Lee, Hsiu-Lin (also known as Jessica Hsiu-Lin Liu)	5/5
Liu Han-Chao	5/5
Liu Jeremy	5/5
Ongi Cheng San	5/5
Lim Wai Loong	5/5
Lin, Po-Chih	5/5
Lee Mei Hsiang	5/5

The Board Charter sets out the governance structure, authority and terms of reference of the Board and its committees and the management (comprising the Managing Director and Executive Directors). It serves as a reference point for the Board in the assessment of its own performance. The Board Charter is published on the corporate website and review is done from time to time as and when required to ensure compliance and relevance to the prevailing laws, regulation and best practices.

To assist the Board in fulfilling its roles, the board has established three (3) committees, namely Audit and Risk Management Committee, Nomination Committee and Remuneration Committee, to support and assist in discharging its fiduciary duties and responsibilities. The respective functions and authority of the board committees have been defined by the Board in the terms of reference of each committee. The committees make recommendations to the Board on matters delegated to them for deliberation. The ultimate responsibility for the final decisions on all matters lies with the Board. As and when necessary, the Board conducts a review of the delegation of responsibilities for the Company to adapt dynamically to the changing circumstances. The Committee meetings are held prior to the Board meetings to facilitate discussion of matters tabled for the Committees. The recommendations of the Committees are then presented during the Board meeting.

The Board is supported by a Company Secretary who is qualified to act as company secretary under the Act. The Company Secretary attends and ensures that all Board and Committee meetings are properly convened, that the Board and Committee functions effectively and in accordance with their relevant terms of reference and that accurate and proper records of the proceedings and resolutions passed are taken and maintained in the statutory registers of the Company. The Board relies on the Company Secretary for advice on its roles and responsibilities, corporate disclosures, governance matters, compliance on and updates on new regulations issued by the regulatory authorities, particularly on compliance with the Act, the LR, the MCGG and other relevant laws and regulations.

The Code of Conduct is set by the Company to provide employees of Superlon Group with guidance on the standards of behaviour expected of them in performing their duties of employment and in their dealings with fellow employees, clients, suppliers and members of the community. The Company had formulated the Anti-Bribery and Corruption ("ABC") Policy as testimony of its commitment to conduct business in an honest and ethical manner. The ABC Policy applies to all employees and any potential/existing business associates engaged in activities with the Group. The Company has an Integrity Team to attend to the anti-bribery and corruption compliance matters, in furtherance of the corporate liability provision of the Malaysian Anti-Corruption Commission Act. A guidance on feedback channel is detailed in the Company's Code of Conduct and Whistleblowing Policy and Procedures. The feedback channel is intended to be used for employees to raise serious and sensitive concerns, including those relating to financial reporting, unethical or illegal conduct.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT
(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1. Board Responsibilities (Cont'd)

Superlon acknowledges the importance of sustainability relating to economic, environmental and social aspects including their risks and opportunities to/for our Group. The Company has implemented a sustainability framework and established a Sustainability Policy which is implemented by a Sustainability Team comprising the management. The Sustainability Team supervises key sustainability initiatives and reports to the Executive Directors who then report to the Board.

The Board oversees the sustainability-related strategies of the Group and take into consideration the material sustainability issues during decision making. The Board of Directors together with the management takes responsibility of the governance of sustainability and for reviewing the robustness of the business strategies from time to time in withstanding material sustainability risks while pursuing the opportunities.

The Sustainability Team reviews the goals and targets and monitors the progress as well as report to the Executive Directors on their findings. They also promote the integration of sustainability considerations into the Group's risk management framework and manage the overall sustainability strategies and efforts. The General Manager is designated to oversee the implementation of the Sustainability Policy. He leads and guides the Sustainability Team in carrying out their roles and responsibilities.

As part of its sustainability initiative, the Company has strengthened the performance evaluation framework for the Board and senior management by including the material sustainability risks and opportunities as a key performance indicator for senior management. Nonetheless, the Board is ultimately responsible for the sustainability-related strategies of the Group.

Further information pertaining to the sustainability efforts of the Group can be found in the Sustainability Statement of this Annual Report.

2. Board Composition

Currently, three (3) out of eight (8) directors representing approximately 38% on our Board are Independent Directors whilst four (4) out of eight (8) directors representing 50% on the Board are Non-Executive Directors. The Board views that there is an effective check and balance in the Board composition such that no one individual or a group of individuals can dominate the Board's decision-making process. Material audit, risk management, remuneration and nomination matters are tabled for the approval of pertinent Board Committees comprising all or majority of Independent Directors, which act as the first tier to consider those matters prior to making recommendation for Board's approval. In addition, all the Committees are chaired by Non-Executive Directors with the composition of the Audit and Risk Management Committee comprising all Independent Non-Executive Directors.

Currently, none of the Independent Directors have served the Board beyond nine (9) years. For the time being, the Board does not limit the tenure of the Independent Directors. In the event any Independent Directors are proposed by the Board to be retained after nine (9) years, the Board shall seek the shareholders' approval with justification to be provided. The Nomination Committee had assessed the independence of all Independent Non-Executive Directors during FYE 2025. The Nomination Committee and the Board are of the view that the Independent Directors have been discharging their responsibilities independently of management and major shareholders.

All new Director(s) duly appointed by the Board are subsequently recommended for re-election at the next AGM. All Directors retire from office at least once every three (3) years but are eligible for re-election. If an Independent Director of the Board ceases to be a member of the Board with the result that less than 1/3 of the Board are Independent Directors, the Nomination Committee shall within three (3) months recommend such number of new Independent Directors as may be required to make up the shortfall. All new Directors attend the mandatory accreditation programme by Bursa Securities to familiarise themselves with the additional requirements for a listed company. The Board has in place a fit and proper policy to govern the appointment of new Directors and the re-election of Directors which takes into consideration factors including character and integrity, experience and competence, the time and commitment by the Directors as well as conflict of interest position, if any.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2. Board Composition (Cont'd)

The Company has a moderate-sized Board and the duties of the committees are distributed within the non-executive directors. The Chairman of the Board is also the Chairman of Remuneration Committee. As a balance to ensure objectivity and more effective Board discussions, when the Remuneration Committee has matters to report to the Board, the chairing of the Board will be handed to another Director while the Board receives and assesses the reports from the Remuneration Committee.

Part of the objectives and responsibilities of the Nomination Committee is to formulate the nomination, selection and succession policies for the members of the Board, Board Committees, Chairman of the Board and key management as may be required from time to time, taking into consideration the Gender Diversity Policy encouraged by Bursa Securities. The current Board consists of two (2) females, who are the Company's Managing Director and one (1) of our Independent Directors, which amounts to 25% female representation. In addition, more than 50% of female participation is in the office workforce with more than 40% of managerial roles being undertaken by females. The Nomination Committee will advocate the Company's policy in identifying and recruiting qualified candidates including women candidates via equal opportunities to serve on its Board and key management in the event of recruitment. The Nomination Committee comprises exclusively of Non-Executive Directors, a majority of whom is independent and is chaired by an Independent Director.

The Nomination Committee takes the lead for the nomination of a new candidate for appointment, reviews and recommendations. The Company has a Fit and Proper Policy on the appointment of new directors and re-election of directors. The Nomination Committee evaluates the nominations by the members of the Board, management and various other sources. The Committee also makes recommendations to the Board on new candidates for appointment and re-election to the Board. In addition to sourcing candidates within its existing internal network, the Board seeks independent sources including independent professional firms in nominating candidates for directorships as and when required.

The Nomination Committee has reviewed the performance of the Board based on performance evaluations conducted by the Board collectively during the financial year. Various areas assessed including board structure, board operations, management relationship, board roles and responsibilities, board committees, corporate governance and sustainability. The Nomination Committee is of the view that the Board and Board Committees have discharged their responsibilities effectively. The Nomination Committee has also assessed and recommended the retiring Directors eligible for re-election, reviewed the continuing independence of Independent Directors and the continuing education programmes was undertaken.

Remuneration

The remuneration of the Executive Directors is recommended to the Board by the Remuneration Committee so as to attract, retain, motivate and incentivise Directors of the necessary calibre needed to lead the Superlon Group successfully.

For Executive Directors, the component parts of the remuneration are structured so as to incentivise the individual according to the performance of the Group. The Remuneration Committee is to recommend to the Board the framework and remuneration package for each Executive Director. The Remuneration Committee considers, amidst others, the Executive Directors' roles and responsibilities, skill and experience, corporate and individual performance for recommendation of remuneration.

In the case of Non-Executive Directors, the level of remuneration is based on, inter-alia, their experience, qualifications and contribution, the extent of duties and responsibility and the time commitment. The determination of remuneration packages of Non-Executive Directors, including the Non-Executive Chairman, is decided by the Board as a whole.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT
(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2. Board Composition (Cont'd)

Remuneration (Cont'd)

The Director's fees and allowances are subject to the prior approval of shareholders at the AGM. The breakdown of the remuneration of each individual Director of the Company for the financial year under review is provided below:-

Superlon			
	Directors' salaries, bonuses and allowances	Directors' fees	Other emoluments
	RM	RM	RM
Executive Director			
Liu Lee, Hsiu-Lin (also known as Jessica Hsiu-Lin Liu)	5,000	–	–
Liu Han-Chao	3,750	–	–
Liu Jeremy	3,750	–	–
Ongi Cheng San	3,750	–	–
Non-Executive Director			
Chun Kwong Pong	5,000	54,000	395
Lim Wai Loong	3,750	42,000	395
Lin, Po-Chih	3,750	42,000	395
Lee Mei Hsiang	3,750	42,000	338

Superlon Group					
	Directors' salaries, bonuses and allowances	Employee Provident Fund	Directors' fees	Benefits in kind	Other emoluments
	RM	RM	RM	RM	RM
Executive Director					
Liu Lee, Hsiu-Lin (also known as Jessica Hsiu-Lin Liu)	919,562	155,107	–	25,000	7,894
Liu Han-Chao	685,992	110,971	–	21,250	7,894
Liu Jeremy	671,114	108,141	–	9,000	7,894
Ongi Cheng San	547,512	84,655	–	9,000	7,894
Non-Executive Director					
Chun Kwong Pong	5,000	–	54,000	–	395
Lim Wai Loong	3,750	–	42,000	–	395
Lin, Po-Chih	3,750	–	42,000	–	395
Lee Mei Hsiang	3,750	–	42,000	–	338

The aggregate remuneration of the top five (5) senior management of the Group is not disclosed taking into consideration the highly competitive industry in which the Group is operating and challenges faced in talent management and retention. For purposes of shareholders' analysis, the total salaries in the group analysed by category is disclosed in the Annual Audited Accounts. The disclosure of the employees' salaries of the Group allows stakeholders to make an appreciable link between the remuneration and the performance of the Group. The Board believes that the disclosure contained in the Annual Audited Accounts would be sufficient to provide pertinent insights to shareholders on whether they are being remunerated responsibly.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

1. Audit and Risk Management Committee ("ARMC")

The Chairman of the Board and the Chairman of the ARMC are different individuals and both are non-executive. The Chairman of the ARMC is an Independent Director. The ARMC assists the Board in its responsibility to oversee and scrutinise the financial reporting and the effectiveness of the internal controls of the Group. ARMC members have from time to time attended various relevant training programmes, seminars and trades shows organised by relevant regulatory authorities and professional bodies to broaden their knowledge and to keep abreast with the relevant changes in law, regulations and the business environment.

The ARMC has a policy which requires a former key audit partner to observe a cooling-off period of at least three (3) years before he can be considered for appointment as a member of the ARMC. To date, no former key audit partner has been appointed as a member of the ARMC.

The audit fees paid by the Group for the FYE 2025 are detailed in Note 26 in the Financial Statements. No non-audit fees were paid to the external auditors by the Group in respect of the FYE 2025 save for the fees of RM5,000 for the review of the Statement on Risk Management and Internal Control contained in the Annual Report 2024. The ARMC is satisfied that the provision of these services did not compromise the external auditors' independence and objectivity. The External Auditors have also confirmed that, inter-alia, they have maintained their independence throughout the audit of Superlon, in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountant's International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and they have fulfilled their ethical responsibilities in accordance with the By-Laws and the IESBA Code.

The ARMC has unrestricted access to any information pertaining to the Company and has direct communication channels with the external and internal auditors, when applicable and to the senior management of the Group.

The ARMC comprises of all Independent Non-Executive Directors. All members of the Committee possess a wide range of necessary skills to discharge its duties and are financially literate to carry out their duties. The Chairman of the ARMC, Ms Lee Mei Hsiang is a member of the Malaysian Institute of Accountants.

The ARMC also has direct oversight of the audit of the Group and annually assesses the suitability, objectivity and independence of the external auditors and internal auditors.

2. Risk Management and Internal Control Framework

The Board upholds its responsibility to ensure an effective risk management and a sound internal controls system to safeguard the assets of Superlon Group and shareholders' interests. This commitment aligns with the Malaysian Code of Corporate Governance and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

The Board acknowledges that an effective risk management is vital to the Group's business operations and has approved the framework adopted by the Group to manage its risks effectively. During the financial year under review, the Group deployed on-going processes to identify, evaluate, monitor and manage material risks that may affect the Group in achieving its business objectives. The Internal Auditors periodically review these processes and report to the Audit and Risk Management Committee on areas requiring necessary improvement.

The Board recognises that the internal control system is designed to mitigate and does not eliminate the risk of failure in achieving the Group's business objectives. Therefore, the internal controls are structured to provide reasonable and not absolute assurance against the occurrence of any material loss or failure. The Group regularly assesses and implements measures to strengthen the internal control environment and processes, striking a balance between controlling costs and maximising benefits for the Group's major operations.

The Group has outsourced its internal audit function to an independent consulting firm which reports to the ARMC and assists the Board of Directors in monitoring and managing risks and internal controls. The engagement team consist of one or more professional internal auditors. The internal audit personnel are free from any relationships or conflicts of interest, which could potentially impair their objectivity and independence. The Internal Audit practices adopted by the internal auditors conform with the International Standards for the Professional Practice of Internal Auditing.

The Board had received assurance from the Managing Director and the Finance Director that, to the best of their knowledge, the Group's risk management and internal control system is functioning adequately and effectively and remains aligned with the Group's objectives, in all material aspects. The risk management overview is covered by the ARMC which comprises of Independent Directors.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT
(CONT'D)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

1. Communication with Stakeholders

The Board acknowledges the importance of an effective, transparent and regular communication with its stakeholders. As a public listed company, the Company has put in place procedures to abide by the corporate disclosure requirements of material information as set out by Bursa Securities. The Board members are kept informed of material matters which require public disclosures and they approve the announcement of material matters prior to public disclosure. The Board is mindful that material information is to be announced timely and that confidential information should be handled sensitively to avoid leakages leading to improper use of such information. In such circumstance, the Company will also closely monitor the market activity of its securities during a period where information is withheld. Where it is believed that such information has inevitably been leaked, immediate announcement will be made.

Superlon's website consists of the relevant corporation information including the board charter, terms of reference of the Board committees, key policies of the Company, annual report, etc. Shareholders and investors are also kept informed of all major developments within the Group by way of announcements via the BURSA LINK. The Company also engages with fund managers, financial analysts, shareholders and the media from time to time.

2. Conduct of General Meetings

The notice for the upcoming AGM of the Group in 2025 was distributed to the shareholders together with the Annual Report, giving at least twenty-eight (28) days' notice prior to the AGM. An Administrative Guide is issued to convey the conduct and procedures of the AGM to the shareholders. All Directors were present at the last AGM to engage directly with and be accountable to the shareholders for their stewardship of the Company. The Directors, all other committee members, and external auditors were in attendance to respond to the shareholders' queries. The AGM (and any other general meetings) also serves as a forum for the Board to engage with the shareholders personally to obtain their views and feedback. In addition, the Company presented an overview of the performance of the Group and the Directors answered queries by the Minority Shareholder Watch Group and the shareholders.

Superlon will hold its forthcoming AGM in Selangor where the location is accessible. Shareholders who are unable to attend the AGM in person can authorise another person online via TIIH Online website as their proxy/proxies to cast votes on his/her behalf as per his/her instructions.

ADDITIONAL COMPLIANCE INFORMATION

Disclosure of related party transactions

The Group has taken all necessary steps to ensure that transactions which were deemed to be related party transactions were appropriately disclosed in accordance with the LR and good corporate governance.

Utilisation of proceeds

No fundraising was made from the equity market in the financial year under review.

Variation in results

No profit forecast was made for the financial year under review.

Profit guarantee

No profit guarantee was given for the financial year.

Material contracts and Related Party Transactions of a Revenue or Trading Nature ("RPT")

Save as disclosed in Note 34 of the financial statements for the financial year under review, there were no material contracts or RPT involving the interest of the Directors and/or major shareholders of the Company.

Employees' Shares Scheme ("ESS")

The ESS of the Company was implemented on 30 December 2024 and shall be in force for a duration of five (5) years. The additional details of the ESS are disclosed in the Directors' Report on pages 51 to 58 of this Annual Report.

In accordance with the Company's ESS By-Laws, not more than 80% of the total number of the Company's ordinary shares to be issued under the ESS shall be allocated to the Directors and senior management of the Group (excluding dormant subsidiaries, if any). Since the commencement of the ESS up to the financial period ended 30 April 2025, a total of 20 Directors and senior management were granted 1,025,200 options under the ESS to receive ordinary shares of up to 0.65% of the issued share capital (excluding treasury shares) of Superlon upon exercise of the options. In addition, a total of 48 employees were granted 383,600 options under the ESS to receive ordinary shares of up to 0.24% of the issued share capital (excluding treasury shares) of Superlon upon exercise of the options.