

Corporate Governance Overview Statement

The Board of Directors (“Board”) of Sealink International Berhad (“Company”) recognises the importance of adopting high standards of corporate governance, not only to safeguard stakeholders’ interests but also to enhance shareholders’ value and in building a sustainable business in the long run.

The Board believes in embedding a culture in the Company and its subsidiaries (“Group”) that seeks to balance compliance requirements with the need to deliver long-term strategic value to shareholders and stakeholders through performance, predicated on entrepreneurship, control and ownership, and with consideration towards ethics and integrity. As such, the Board strives to embrace the substance behind corporate governance recommendations and not merely the form.

Paragraph 15.25 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) requires the Board to provide an overview of the application of the Principles set out in the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”) for the financial year ended 31 December 2021. The detailed application by the Company for each practice as set out in the MCCG 2021 during the financial year 31 December 2021 (“FY 2021”) is disclosed in the Corporate Governance Report (“CG Report”). A copy of the CG Report can be accessed at our Company’s website at www.asiasealink.com.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

PART 1 – BOARD RESPONSIBILITIES

1.1 Board roles and responsibilities

In the discharge of its fiduciary and stewardship role, the Board has assumed the following principal responsibilities in relation to the Company:

- Together with Senior Management, promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;
- Review, challenge and decide on Management’s proposals for the Company, and monitor its implementation by Management;
- Ensure that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- Oversee the conduct of the Group’s businesses to evaluate and assess Management performance whether the businesses are being properly managed;
- Ensure there is a sound framework for internal controls and risk management;
- Understand the principal risks of the Group’s businesses in recognition that business decisions involve the taking of appropriate risks;
- Set the risk appetite within which the Board expects Management to operate, and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
- Ensure that Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and Senior Management;
- Ensure that the company has in place procedures to enable effective communication with stakeholders;
- Ensure that all its Directors are able to understand the Financial Statements and form a view on the information presented;
- Ensure the integrity of the Group’s financial and non-financial reporting;
- Ensure highest standard of ethical conduct, integrity and accountability in all business activities and operations and this including adopting a zero tolerance policy towards any form of bribery and corruption;
- Ensure the governance of sustainability in the Group which includes setting the Group’s sustainability strategies, business plan, priorities and targets;

Corporate Governance Overview Statement (cont'd)

1.1 Board roles and responsibilities (cont'd)

- Approve the nomination, selection, succession policies, and remuneration packages for the Board members, Board Committee members, Nominee Directors on the functional Boards of the subsidiaries and Chief Executive Officer, and the annual manpower budget for the Group, including managing succession planning, appointing, training, fixing the compensation of, and where appropriate replacing Senior Management or key management personnel;
- Review the adequacy and integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines; and
- Approve the appointment of external auditors and their related audit fees.

1.2 Board Committees

To assist in the discharge of its stewardship role, the Board has established Board Committees, namely Audit Committee ("AC"), Nominating Committee ("NC"), Remuneration Committee ("RC") and Risk Management Committee ("RMC"), to examine specific issues within their respective terms of reference, and for them to report to the Board their recommendations. The ultimate responsibility for decision making, however lies with the Board. Each committee operates its functions within the terms and references approved by the Board which are reviewed by the Board annually to ensure that they are relevant and updated with other related policies of regulatory requirements. The terms of reference of each committee are contained in the Board Charter which is available for reference on the Company's corporate website at www.asiasealink.com.

1.3 The Chairman

The Company has yet to appoint a Board Chairman since the demise of its former Chairman. The Company is still looking for a suitable candidate to be appointed as the Chairman of the Board in terms of appropriate balance of skills, expertise, attributes and core competencies, taking into consideration of the character, gender, experience, integrity, competence and time commitment.

1.4 Chairman and Executive Directors ("ED")

The roles of the Chairman and EDs are separate with a clear distinction of responsibilities between them to provide effective leadership of the Board and the Group. The Chairman of the Board is responsible for the leadership and effective running of the Board, whereas the EDs who lead the management of the Group, has overall responsibility for the business and day-to day management of the Company and the implementation of the Board's policies and decisions.

1.5 Qualified and competent Company Secretary

The Board is supported by a qualified and competent Company Secretary. The Company Secretary, Madam Yeo Puay Huang is a person qualified to act as a Company Secretary under Section 235(2) (b) of the Companies Act 2016 and holds the practicing license issued by Companies Commission of Malaysia. She has over 40 years of experiences in corporate secretarial practices. She is also the Secretary for all Board Committees.

The Company Secretary plays an advisory role in supporting the Board and Board Committees in advising on its roles and responsibilities, governance matters and ensuring the Company complies with its own Constitution and all the law and regulations prescribed by the Companies Act 2016 and MMLR of Bursa Securities.

The Company Secretary constantly keeps abreast of the evolving regulatory changes and developments in Corporate Governance through attendance at relevant conferences and training programmes.

Corporate Governance Overview Statement (cont'd)

1.5 Qualified and competent Company Secretary (cont'd)

Directors have unrestricted access to the advice and services of the Company Secretary to enable them to discharge their duties effectively. The Board is regularly updated and advised by the Company Secretary, who is qualified, experienced and competent on statutory and regulatory requirements, on the resultant implications of any changes in regulatory requirements to the Company and Directors in relation to their duties and responsibilities. The Company Secretary, who oversees adherence to Board policies and procedures, briefs the Board on the proposed contents and timing of material announcements to be made to regulators, as well as any changes to regulatory requirements that may affect the Company and the Board. The Company Secretary attends all Board and Board Committees meetings and ensures that meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are taken and maintained accordingly. The removal of the Company Secretary, if any, is a matter for the Board, as a whole, to decide.

1.6 Access to information and advice

The Board is supplied with relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters, by way of Board reports or upon specific requests, for decisions to be made on an informed basis and for an effective discharge of the Board's responsibilities.

Timely dissemination of meeting agenda, including the relevant Board and Board Committees papers to all Directors prior to the Board and Board Committees meetings respectively to give effect to Board and Board Committees members to make decisions and to deal with matters arising from such meetings, is observed. Board and Board Committees members are furnished on a timely basis with pertinent explanations and information on relevant issues and recommendations by Management. The issues are then deliberated and discussed thoroughly by the Board prior to decision making, including decisions to defer certain resolutions when the information needed to make informed decision is inadequate.

In addition, Board members are updated on the Company's activities and its operations on a regular basis, largely through scheduled Board and Board Committees meetings. All Directors have access to Company's information on a timely basis in an appropriate manner and quality necessary to enable them to discharge their duties and responsibilities.

Senior Management of the Group and external advisers are invited to attend Board and/or Board Committee meetings to provide additional insights and professional views, advice and explanations on specific items on the meeting agenda. Besides direct access to Management, Directors may obtain independent professional advice at the Company's expense, if considered necessary, in furtherance of their duties. This procedure is formalised in the Company's Board Charter.

1.7 Board Charter

The Board Charter, which serves as a reference point for the Board's activities to enable Directors to carry out their stewardship role and discharge their fiduciary duties towards the Company, also contains a formal schedule of matters reserved to the Board for deliberation and decision, for example discussion on strategic matters, so that the control and direction of the Company's businesses are in its hands.

The Board Charter together with the Terms of Reference of the Board Committees was last reviewed, revised and adopted by the Board on 22 February 2022 to align with the relevant best practices recommended under the MCCG2021 issued by the Securities Commission. Amendments and updates are made from time to time in accordance with the need of the Company to ensure its effectiveness and consistency with the Board's objective and corporate vision as well as to be in line with changes to statutory and regulatory requirement.

The Board Charter is available for reference on the Company's website at www.asiasealink.com.

Corporate Governance Overview Statement (cont'd)

1.8 Code of Conduct / Ethics

The Board recognises the importance of having in place a Code of Conduct / Ethics, setting out the standards of conduct expected from Directors and employees, to engender good corporate behavior. The Board Charter sets out a Code of Ethics to be observed by Directors. As for the conduct of employees, the Board has formalised an Employee Handbook to be observed by employees across the Group.

The Code of Conduct is available for reference on the Company's website at www.asiasealink.com.

1.9 Whistleblower Policy

The Board has also adopted the Whistleblower Policy which outlines when, how and to whom a concern may be properly raised about the actual or potential corporate fraud or breach of regulatory requirements involving employee, Management or Director in the Group and to enable prompt corrective actions and measures to resolve them effectively.

All disclosure shall be made to the Chairman of AC and the disclosure can be made in writing, orally, via electronic mail ("email") or short messaging system. Upon making a disclosure in good faith, based on the reasonable ground and in accordance with procedures set out therein the Whistleblower Policy, the whistleblower shall be protected from reprisal within the Group as a direct consequences of his/her disclosure and the identity will be protected.

The Whistleblower Policy was last reviewed, revised and adopted by the Board on 22 February 2022. The Whistleblower Policy shall be reviewed, as needed and maybe amended from time to time, as deemed necessary by the Board, to ensure its relevance and effectiveness in keeping with the Group's business environment, administrative or operational needs.

The Whistleblower Policy is available for reference on the Company's website at www.asiasealink.com.

1.10 Anti-Bribery & Corruption Policy

The Group is committed to conduct businesses professionally, fairly and with integrity and transparency.

The Group has adopted a zero tolerance approach against all forms of bribery and corruption and takes strong stance against such act by implementing the Anti-Bribery and Corruption Policy ("ABC Policy"), which was first formulated and adopted by the Board on 30 June 2020 and then was last reviewed, revised and adopted by the Board on 17 May 2021. This is in line with the amendment to Malaysian Anti-Corruption Commission Act 2009 ("MACC Act 2009") to incorporate a new Section 17A on corporate liability for corruption which took effect on 1 June 2020.

The ABC Policy is available for reference on the Company's website at www.asiasealink.com.

1.11 Sustainability Policy

The Board is mindful of the importance of business sustainability and, in conducting the Group's business, the impact on the environment, social and governance aspects is considered. The Company strives to achieve sustainable long-term balance between meeting its business goals and compliance to relevant environmental and related legislation as well as ensuring a safe and healthy working environment. Accordingly, the Board has formalised the Company's sustainability policy during the financial year under review that addresses environment, social and governance elements in its strategic initiatives.

The Sustainability Policy is available for reference on the Company's website at www.asiasealink.com.

Corporate Governance Overview Statement (cont'd)

PART 2 - BOARD COMPOSITION

2.1 Composition of the Board

At the date of this Statement, the Board consists of five (5) members, comprising of one (1) Executive Director and four (4) Independent Directors. This composition fulfills the requirements as set out under MMLR of Bursa Securities, which stipulate that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, must be Independent. The profile of each Director is set out in this Annual Report.

Based on an assessment of its skills matrix, the Board is of the view that the Directors, with their different background and specialisations, collectively bring with them a wide range of experience and expertise in areas such as finance; accounting and audit; corporate affairs; legal; and marketing and operations, which are considered adequate for the Group's needs.

The Chief Executive Officer cum Managing Director oversees the day-to-day operations of the Group's business. The Non-Executive Directors, which comprise exclusively Independent Directors, provide the relevant checks and balance by reviewing the Group's performance against budget and inquiring from the Executive Director as well as Senior Management personnel explanations, as needed, at scheduled Board and Board Committees meetings. All the four (4) Independent Directors sit on the four (4) Board Committees, namely the Audit Committee, Nominating Committee, Remuneration Committee and Risk Management Committee.

2.2 Reinforce Independence of the Board

The Board is still in the midst of identifying a Director to helm the Board Chairman position since the demise of its former Chairman. At each meeting of the Board, the Directors appoint from amongst them a Director to chair the meeting. For the five (5) meetings convened during the financial year under review, the Director who chaired the meetings was an Independent Director. The current composition of Independent Non-Executive Directors in the Board, which comprises a majority of Board members, provides for pertinent checks and balance in the Board such that no one Director has unfettered powers in decision making.

The Chairman of the meeting is responsible for ensuring the adequacy and effectiveness of the Board's governance process and acts as a facilitator at Board meetings to ensure that contributions from Directors are forthcoming on matters being deliberated and that no Board member dominates discussion. Whilst the Chief Executive Officer cum Managing Director implements the Group's strategic initiatives, policies and decision adopted by the Board and oversees the operations and business development of the Group, the Independent Directors bring to bear objective and independent views, advice and judgement on interests, not only of the Company, but also of shareholders and stakeholders.

In accordance to the Constitution of the Company, at least one-third (1/3) of the Board is required to retire at every Annual General Meeting ("AGM") and be subject to re-election by the shareholders. All of the Directors are required to offer themselves for re-election, at least once every three (3) years. Newly appointed Directors shall hold office until the Next AGM and shall then be eligible for re-election by the shareholders.

Independent Directors are essential for protecting the interests of shareholders and can make significant contributions to the Company's decision making by bringing in the quality of detached impartiality. The Board recognises the importance of establishing criteria on independence to be used in the annual assessment of its Independent Directors. The definition on independence accords with the MMLR of Bursa Securities. At the end of the financial year under review, two (2) of the Independent Directors, namely Mr Wong Chie Bin and Mr Toh Kian Sing have served for a cumulative period exceeding twelve (12) years. The NC have assessed the performance and independence of both of them based on the following justifications:

- They have fulfilled the criteria under the definition of Independent Directors as stated in the MMLR of Bursa Securities;

Corporate Governance Overview Statement (cont'd)

2.2 Reinforce Independence of the Board (cont'd)

- They have possessed vast commercial experience and knowledge that complements the Company's board composition, and continue to provide valuable insights and contributions to the Board; and
- They have participated in board discussions and they are able to bring independent and objective judgements to the Board.

The Board took note of the recommendation of the MCCG2021 on the tenure of an Independent Director for a term of not exceeding nine (9) years. The Board believes that though Mr Wong Chie Bin and Mr Toh Kian Sing have served the Company as Independent Non-Executive Directors for exceeding twelve (12) years at the forthcoming AGM, they have retained independence character and judgment and have not formed association with Management (or others) that might compromise their ability to exercise independent judgment or act in the best interests of the Group.

The NC thereby recommended that they continue in office as Independent Non-Executive Directors of the Company until the conclusion of the next AGM while looking for suitable candidates and seek shareholder's approval at the 14th AGM through a two-tier voting process.

2.3 Diversity

The Board encourage a dynamic and diverse composition by nurturing suitable and potential candidates equipped with competency, skills, experience, character, time commitment, integrity and other qualities in meeting the future needs of the Company.

The Board had on 22 February 2022, reviewed and adopted the Diversity Policy where the Board will endeavour to increase female representation on the Board if there is suitable candidates available. The Board shall at any point to have at least one female representation on the Board.

The Board had also on 22 February 2022 reviewed and adopted Gender Diversity Policy to improve its gender diversity in both Board and Senior Management levels.

The Gender Diversity Policy is available for reference on the Company's website at www.asiasealink.com.

Paragraph 15.02(1)(b) of the MMLR of Bursa Securities requires at least one (1) female director on board on or after 1 June 2023. The Board will evaluate suitable candidates for gender diversity on the Board. The selection process via the NC will be exercised with due care and careful assessment will be based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

The Board has set a target to appoint one female Director on or after 1 June 2023.

2.4 Board Commitment

(i) Board Meetings

The Board ordinarily meets at least five (5) times a year, scheduled well in advance before the end of the preceding financial year to facilitate the Directors in planning their meeting schedule for the year. Additional meetings are convened when urgent and important decisions need to be made in between scheduled meetings. At the quarterly Board meetings, the Board reviews the business performance of the Group and discusses major strategic, operational, compliance and financial issues. The Chairman of the AC briefs the Directors at each Board meeting the salient matters deliberated by the AC and which require the Board's attention or direction, including approval, as the case may be. All pertinent issues discussed at Board meetings in arriving at decisions and conclusions are properly recorded by the Company Secretary by way of minutes of meetings, which are distributed to all Directors on a timely basis for review and thereafter for confirmation by the Chairman at the next meeting.

Corporate Governance Overview Statement (cont'd)

(i) Board Meetings (cont'd)

There were five (5) Board meetings held during the financial year ended 31 December 2021, with details of Directors' attendance set out below:

Name of Director	Designation	Meeting Attendance
Yong Kiam Sam	Chief Executive Officer cum Managing Director, Non-Independent Executive Director,	5/5
Wong Chie Bin	Independent Non-Executive Director	5/5
Toh Kian Sing	Independent Non-Executive Director	5/5
Eric Khoo Chuan Syn @ Khoo Chuan Syn	Independent Non-Executive Director	5/5
Datuk Sebastian Ting Chiew Yew	Independent Non-Executive Director	4/5

It is the practice of the Company for Directors to devote sufficient time and efforts to carry out their responsibilities.

(ii) Directors' Training and Education

The Board is mindful of the importance for its members to undergo continuous training to be apprised of changes to regulatory requirements and the impact such regulatory requirements have on the Group and Directors.

All the Directors of the Company have attended the Mandatory Accreditation Programme conducted by Bursa Malaysia Training Sdn. Bhd. within the stipulated timeframe required by the MMLR of Bursa Securities.

Details of the training attended by Directors of the Company for the financial year under review and up to the date of this Statement as set out below:

Name of Director	Training topics
Yong Kiam Sam	<ul style="list-style-type: none"> • Digital transformations using data management to unlock efficiency in marine chains • From digital shipyard to digital shipyard – Unifying data silos to create actionable insight • Marine Log – Trends in vessel design and offshore wind maritime supply • HFW Community Events – between the devil and the deep blue sea • KPMG-Section 17A MACC Act 2009 (Amended 2018): A new Horizon in Malaysia Corporate Accountability (Webinar) • Philippines shipbuilding and boating industries • Offshore wind - marine asset finance & investment opportunities • DNV – Turmoil & Transformation • Marine Money – Financing offshore & wind assets • Asia School Of Business Malaysia – Dawn Raid: Don't be caught unprepared

Corporate Governance Overview Statement (cont'd)

(ii) Directors' Training and Education (cont'd)

Name of Director	Training topics
Wong Chie Bin	<ul style="list-style-type: none"> • CITM-Private Trusts: Key Legal, Administrative And Tax Considerations • KPMG-Section 17A MACC Act 2009 (Amended 2018): A new Horizon in Malaysia Corporate Accountability (Webinar) • MIA-Impact on Audit Reporting of Covid-19 and MCO Restrictions (Webinar) • MIA-Audit Completion Stage and Auditing Disclosures with Special Emphasis on COVID-19 Audit Procedures and Disclosures (Webinar) • MIA- The Auditor's Response to Assessed Risks (Webinar) • MIA-Integrated Estate Planning for Business Owners (Webinar) • CTIM-Tax Compliance and IRB's Perspective • LHDN-National Tax Seminar 2021 • CITM-2022 Budget Seminar • BNM- AMLA Compliance Conference 2021
Toh Kian Sing	<ul style="list-style-type: none"> • KPMG- Section 17A MACC Act 2009 (Amended 2018): A new Horizon in Malaysia Corporate Accountability (Webinar) • 2021 Annual Survey and Letter of Credit Law Summit in Singapore organized by Institute of International Banking Law & Practice, Inc. • Module 9: Maritime Conflict of Laws organized by Singapore Academy of Law • ADM YIR Lecture organized by Supreme Court
Eric Khoo Chuan Syn @ Khoo Chuan Syn	<ul style="list-style-type: none"> • KPMG-Section 17A MACC Act 2009 (Amended 2018): A new Horizon in Malaysia Corporate Accountability (Webinar) • Budget 2022: Key Tax Changes Affecting Business and Companies
Datuk Sebastian Ting Chiew Yew	<ul style="list-style-type: none"> • KPMG-Section 17A MACC Act 2009 (Amended 2018): A new Horizon in Malaysia Corporate Accountability (Webinar)

The Directors are notified periodically by the Company Secretary on the types of training courses available in the market that the Directors may consider attending. The Directors also have been constantly been updated with relevant reading materials and technical updates, which enhance their knowledge and equip them with the necessary skills to effectively discharge their duties as Directors of the Company.

2.5 Nominating Committee

The key objective of the NC is to oversee the selection and assessment process of Directors of the Board, ensuring that nominations to Board and Board Committee seats are fair and transparent having regard to the competence, experience, character, integrity and time commitment of the nominees.

The NC established by the Board with specific terms of reference, comprises exclusively Independent Non-Executive Directors as its members. The NC meets at least once a year. During the financial year under review and as at the date of this Statement, the NC met twice (2 times), and details of attendance of meetings are as follows.

Name	Designation	Attendance
Eric Khoo Chuan Syn @ Khoo Chuan Syn	Chairman	2/2
Datuk Sebastian Ting Chiew Yew	Member	1/2
Toh Kian Sing	Member	2/2
Wong Chie Bin	Member	2/2

Corporate Governance Overview Statement (cont'd)

2.5 Nominating Committee (cont'd)

The NC is primarily responsible for recommending suitable appointments to the Board, taking into consideration the Board structure, size, composition and the required mix of expertise and experience which the Director should bring to the Board. It assesses the effectiveness of the Board as a whole, the Board Committees and the contribution of each Director. Where considered appropriate, the NC considers recommendation of candidate for directorship by shareholders or existing Directors. Based on its terms of reference, the NC carries out the assessment process regardless of whether the candidate is for new appointment or re-appointment. The final decision on the appointment of a candidate recommended by the NC rests with the Board. The Company Secretary ensures that all appointments are properly made upon obtaining all necessary information from the Director.

The NC carried out the following activities within its terms of reference and reported the outcome to the Board:

- reviewed and discussed the revised Board Diversity Policy;
- reviewed training undertaken by Directors as well as those training that are available for Directors for the ensuing year;
- discussed the search for a Board Chairman and Female Director;
- reviewed and discussed the Gender Diversity Policy;
- review the Board's succession plans;
- reviewed the Directors' Evaluation Form, Board Skills Matrix Form and Board & Board Committee Evaluation Form used in the annual assessment and evaluation of the Board, Board Committees and individual Directors. These evaluation forms took into consideration the competency, experience, character, integrity and time availability of the officers concerned as well as the evaluation criteria set out in the relevant exhibits of the Corporate Governance Guide – 4th Edition on assessment of the Board, Board Committees and individual Directors. For the purpose of assessing the independence of Independent Directors, the criteria set out in Paragraph 1.01 of the MMLR of Bursa were used; and
- following the assessment of the Board, Board Committees and individual Directors, recommended for the Board's consideration to move for shareholders' approval the re-appointment and/or re-election of those Directors retiring at the forthcoming AGM. In assessing whether or not to recommend retiring Directors for re-appointment or re-election by shareholders, the NC took into consideration pertinent evaluation criteria provided in the relevant exhibits of Corporate Governance Guide – 4th Edition.

As such, in filling casual vacancies or appointing additional or re-appointing Directors, the Board, via the NC, assesses the competency, skills, experience, character, time commitment, integrity and other qualities of the candidates in relation to the needs of the Group.

2.6 Re-election of Directors

During the year under review, the Board with the recommendation of NC, endorsed the re-election of directors who are subject to retirement in accordance with the provisions of the Company's Constitution.

The following Directors are due for retirement and are eligible for re-election pursuant to the Company's Constitution:

1. Datuk Sebastian Ting Chiew Yew, and
2. Mr Wong Chie Bin.

Save for Datuk Sebastian Ting Chiew Yew who has indicated of his intention not to seek re-election at the forthcoming AGM, Mr Wong Chie Bin has indicated his willingness to seek re-election at the forthcoming AGM of the Company to be held on 31 May 2022.

Corporate Governance Overview Statement (cont'd)

2.6 Re-election of Directors (cont'd)

Prior to recommending the re-election of the Directors, the NC reviewed the individual directors' performance based on the results of the Directors' Evaluation Form for Financial Year 2021 ("FY2021"). The NC is of the opinion that the Directors have discharged their duties effectively and have provided valuable contribution to the leadership of the Group.

2.7 Annual Evaluation

For the financial year ended 31 December 2021, an annual assessment of the Board, Board Committees and contribution of each individual director is carried out by the NC, with the assistance of the Company Secretary, taking the form of comprehensive evaluation questionnaires which provide the NC with an opportunity to score their opinion on a series of questions in relation to inter alia the execution and performance of the Board as a whole and the Board Committees, and to comment on procedure or any relevant matters.

The evaluation of the Board covers factors such as mix and composition of the Board, quality of decision making, timeliness of the Board papers, internal controls, conduct of Board meetings and interactions with the Management.

The criteria adopted for the board's performance evaluation includes board mix and composition, directors' training, independence, quality of information, board proceedings and board's roles and responsibilities. Annual board review was conducted by the NC to assess and evaluate the board effectiveness based on the above criteria during the financial year.

In addition, peer review of the knowledge and skill sets of fellow Directors is required to be performed by the NC based on evaluation criteria established, which includes integrity, professionalism, knowledge, performance and participation during Board meetings, contribution and board relationship. Peer review of Directors was conducted by the NC during the financial year.

As for the performance evaluation of Board Committees, the NC assessed the performance of the AC, NC and RC based on the recommended evaluation criteria adopted from Corporate Governance Guide issued by Bursa Malaysia Berhad, which includes committees' composition, contribution to the Board's decision making, expertise, appointment as well as timeliness and quality of communication and minutes. Review of the performance of the Board Committees was conducted by the NC during the financial year.

Based on the above assessments, the NC was satisfied with the existing Board composition and was of the view that all Directors and Board Committees of the Company had discharged their responsibilities in a commendable manner and have performed competently and effectively. All assessments and evaluations carried out by the NC in the discharge of all its functions were properly documented.

The NC reviews annually, the effectiveness of the Board and Board Committees as well as the performance of individual directors.

The NC carries out evaluation of Board effectiveness in the areas of Board mix and composition, quality of information and decision making, boardroom activities, Board meetings interactions with the management, Board's roles and responsibilities. The evaluation process involved self-review assessment, where Directors will assess their own performance.

Based on the assessment conducted for the FY2021, the Board and the NC are satisfied with the current size, composition as well as the mix of qualifications, skills and experience among the Board and Board Committees members. The assessment and evaluation are properly documented.

Corporate Governance Overview Statement (cont'd)

PART 3 – REMUNERATION

3.1 Remuneration Committee

The RC established by the Board with specific terms of reference, comprises exclusively Independent Non-Executive Directors as its members. The RC meets at least once a year. During the financial year under review and as at the date of this Statement, the RC met once and details of attendance of meetings are as follows.

Name	Designation	Attendance
Toh Kian Sing	Chairman	1/1
Datuk Sebastian Ting Chiew Yew	Member	1/1
Eric Khoo Chuan Syn @ Khoo Chuan Syn	Member	1/1
Wong Chie Bin	Member	1/1

The RC is entrusted by the Board to:

- establish a formal and transparent procedure for setting a policy on remuneration of Executive Directors and Senior Management and for fixing the remuneration packages of all Directors and Senior Management of the Group which takes into account the demands, complexities and performance of the Company as well as skills and experience required; and
- ensure that the levels of remuneration of Directors and Senior Management are commensurate with the qualifications, roles, responsibilities and that such levels of remuneration are sufficient to attract and retain the Directors and Senior Management but not excessive.

3.2 Remuneration Policy and Procedures

The Remuneration Policy and Procedures was last reviewed, revised and adopted on 22 February 2022, to facilitate the RC to review, consider and recommend to the Board for decision on the Directors' remuneration. The RC recommends to the Board the remuneration of Executive Director, largely based on his performance and also the Group's performance. In the case of Independent Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the Independent Directors concerned. In all instances, the deliberations are conducted with the Directors concerned abstaining from discussions on their individual remuneration.

The Remuneration Policy and Procedures is available for reference on the Company's website at www.asiasealink.com.

3.3 Remuneration of Directors

Details of Directors' remuneration (including benefits-in-kind) for each Director during the financial year ended 31 December 2021 are as follows:

	Directors' Fee		Group Basic Salary (RM)	Group Benefits-in Kind (RM)	Total (RM)
	Company (RM)	Subsidiaries (RM)			
Executive Director					
Yong Kiam Sam	22,000	-	565,634	210,362	797,996
Non-Executive Director					
Eric Khoo Chuan Syn @ Khoo Chuan Syn	70,000	-	-	-	70,000
Toh Kian Sing	70,000	-	-	-	70,000
Wong Chie Bin	83,000	-	-	-	83,000
Datuk Sebastian Ting Chiew Yew	70,000	-	-	-	70,000

Corporate Governance Overview Statement (cont'd)

3.4 Remuneration Senior Management

The Company notes the need for transparency in the disclosure of its Key Senior Management remuneration, the Company is of the opinion that the disclosure of remuneration details may not be in the best interest of the Company, given the competitive landscape for key personnel with requisite knowledge, technical expertise and working experience in the Company's business activities, where intense headhunting is a common industry challenge. Accordingly, such disclosure of specific remuneration information may give rise to recruitment and talent retention issues.

The Board ensures that the remuneration of Senior Management is commensurate with the performance of the Company. Excessive remuneration payout are not made to Senior Management personnels in any instance.

The disclosure of the remuneration of the top Senior Management of the Company is currently made on aggregate basis in the employee benefits expense note to the accounts and is available on page 106 of the Annual Report 2021.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

PART 1 – AUDIT COMMITTEE

The Board through the AC endeavors to provide a clear, balanced and meaningful assessment of the Group's financial performance and prospects, through the audited financial statements and quarterly financial reports, and corporate announcements on significant developments affecting the Group in accordance with the MMLR of Bursa Securities.

The Board through the AC is also responsible to ensure that audited financial statements are prepared in accordance with the provisions of the Companies Act 2016 and the applicable financial reporting standards in Malaysia. The statements of Directors' responsibility in respect of the audited financial statements is presented in the Section of Directors' Responsibility Statement on Financial Statements in this Annual Report.

The Board is assisted by the AC in overseeing the Group's financial reporting process and the accuracy, consistency and appropriateness of the use and application of accounting policies and standards, as well as the reasonableness and prudence in making estimates, statements and explanations.

The AC is relied upon by the Board to, amongst others, provide advice in the area of financial reporting, external audit, internal control environment and internal audit process, review of related party transactions as well as conflict of interest situation.

The AC is chaired by an Independent Non-Executive Director and majority of the members of the AC are financially literate. A full AC Report detailing its composition, and a summary of activities and work during the financial year are set out in Audit Committee Report in this Annual Report.

Currently, none of the members of AC were former key audit partner. The AC has in place a policy that requires a former key partner to observe a cooling-off period of at least three (3) years before being appointed as a member of AC. The Policy had been codified in the Terms of Reference of AC.

The Board maintains a transparent and professional relationship with the External Auditors through AC. The AC invites External Auditors to attend its meeting at least twice a year to discuss their audit plan and audit progress update on the Group's financial statements. The External Auditors would share with the AC on any significant issues on the audited financial statements and regulatory updates. In addition, the AC will also have a private meeting with the External Auditors without the presence of the executive management team to enable exchange view on issue requiring attention.

Corporate Governance Overview Statement (cont'd)

PART 1 – AUDIT COMMITTEE (cont'd)

The AC is empowered by the Board to review any matters concerning the appointment, re-appointment, resignations and dismissal of the External Auditors and review and evaluate factors relating to the independence of the External Auditors. The Board had on 22 February 2022 reviewed and adopted the Policies and Procedures to assess the suitability, objectivity and independence of external auditors. The said Policy aims to outline the guidelines and procedures for AC to review, assess and monitor the performance, suitability and independence of the External Auditors.

As part of the AC's review processes, the AC has obtained assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

Based on the AC's assessment of Messrs. Grant Thornton Malaysia PLT [Registration No. 201906003682 (LLP0022494-LCA)(AF:0737)], the External Auditors, the Board is satisfied with the independence, quality of service and adequacy of resources provided by the External Auditors in carrying out the annual audit for the financial year ended 2021. In view thereof, the Board has recommended the reappointment of the External Auditors for the approval of shareholders at the forthcoming AGM.

PART II – RISK MANAGEMENT COMMITTEE

The Risk Management Committee ("RMC"), established by the Board with specific terms of reference, comprises the majority of Independent Director and chaired by Executive Director. During the financial year under review and as at the date of this Statement, the RMC met once and details of attendance of meeting are as follows.

Name	Designation	Attendance
Yong Kiam Sam	Chairman	1/1
Datuk Sebastian Ting Chiew Yew	Member	0/1
Toh Kian Sing	Member	1/1
Eric Khoo Chuan Syn @ Khoo Chuan Syn	Member	1/1
Wong Chie Bin	Member	1/1

RMC which is entrusted to formalise a risk management process to identify, evaluate, control, report and monitor significant risks faced by the Group. Periodic reporting of risks identified and evaluated, which are scored for their likelihood of occurrence and the impact thereof based on pre-set risk measuring metrics, including mitigating measures, is made to the AC as part of a holistic approach on risk management, to develop a comprehensive Enterprise Risk Framework to enhance the Group's existing risk management activities and initiatives. Personnel of the Group have been trained to periodically identify and evaluate risks, supported by pertinent evidence corroborating the risk profiles of various business units, and ultimately the Group risk profile, for upward reporting to the RMC. The risk profile of the Group, following a review by the RMC is tabled to the AC and questions, if any, are fielded by the General Manager, Group Finance, who also acts as the Group's Risk Coordinator.

The internal audit function of the Group is outsourced to an independent professional firm, namely KPMG Management & Risk Consulting Sdn. Bhd. [Registration No. 198601000916 (150059-H)], who undertakes regular reviews of the adequacy and operating effectiveness of the Group's system of internal controls. The internal audit function reports directly to the AC.

Further details of the internal audit function are provided in the Statement on Risk Management and Internal Control and is available on page 23 of the Annual Report 2021.

Corporate Governance Overview Statement (cont'd)

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

PART 1 – COMMUNICATION WITH STAKEHOLDERS

The Board recognises the importance of being transparent and accountable to the Company's investors and, as such, has various channels to maintain communication with them. The various channels are through the quarterly announcements on financial results to Bursa Securities, relevant announcements and circulars, when necessary, the Annual and Extraordinary General Meetings and through the Company's website, www.asiasealink.com where shareholders can access pertinent information concerning the Group.

The Board is aware of the need to establish Corporate Disclosure Policies and Procedures to enable comprehensive, accurate and timely disclosures relating to the Group to be made to the regulators, shareholders and stakeholders. Accordingly, the Board has, during the financial year under review, formalised pertinent policies and procedures on corporate disclosure not only to comply with the disclosure requirements as stipulated in the MMLR of Bursa Securities, but also identify the persons responsible to approve and disclose material information to the regulators, shareholders and stakeholders. The Corporate Disclosure Policies and Procedures, which are subject to periodically review, set out, amongst others, the types of activities/transactions that require immediate announcement to the regulators, protocol on disclosure of information, spokesperson for the Group and procedures to be followed if issued by regulators with a notice on unusual market activities.

To augment the process of disclosure, the Board has earmarked a dedicated section for corporate governance on the Company's website where information on the Company's announcements to the regulators, rights of shareholders, the Company's Annual Report and etc., can be accessed.

PART II – CONDUCT OF GENERAL MEETINGS

The Board always encourage the shareholders to attend the Company's General Meetings, particularly the AGM, which is the principal forum for direct interaction and dialogue between the shareholders, the Board and the Management. The AGM provides an opportunity for the shareholders to seek and clarify any issues and to have a better understanding of the Group's performance and other matters of concern. At the AGM, shareholders participate in deliberating resolutions being proposed or on the Group's operations in general. The Board will ensure that all the Board Members, Management Team, External Auditors and Company Secretary are present to respond shareholders queries during the AGM and any other general meetings. At the last AGM, all the Directors, Company Secretary and External Auditors have attended.

In line with the Practice 13.1 of the MCGG 2021, the Notice of 13th AGM was circulated at least twenty-eight (28) days before the date of meeting to shareholders and was published in a national daily newspaper which had given Shareholders sufficient time to prepare themselves to attend the AGM or to appoint a proxy to attend and vote on their behalf. Items of special business included in the Notice of AGM was accompanied by an explanation of the proposed resolution.

All the resolutions set out in the Notice of 13th AGM were put to vote by way of a poll and the votes casted were validated by Messrs. Commercial Quest Sdn. Bhd. [Registration No. 199401025328 (311007-M)], an independent scrutineer appointed by the Company. The outcome of all resolutions tabled at the 13th AGM were announced to Bursa Securities on 17 September 2021 being the date of 13th AGM.

The Notice of forthcoming 14th AGM of the Company which is scheduled to be held on 31 May 2022 will be sent to shareholders at least twenty-eight (28) days before the date of 14th AGM as well. Shareholders who are unable to attend personally are allowed to appoint proxy/proxies to attend, participate, speak and vote on their behalf at the 14th AGM.

This Statement is issued in accordance with a resolution of the Board dated 14 April 2022.

Corporate Governance Overview Statement (cont'd)

ADDITIONAL COMPLIANCE INFORMATION

Utilisation of Proceeds

During the financial year, there were no proceeds raised from any corporate proposal.

Share Buybacks

The Company did not carry out any share buy-backs during the financial year.

Options, Warrants or Convertible Securities

There was no exercise of Options or Convertible Securities or conversion of warrants during the financial year.

American Depository Receipt (“ADR”) or Global Depository Receipt (“GDR”) Programme

The Company did not sponsor any ADR or GDR programme during the financial year.

Imposition of Sanctions/Penalties

There were no material sanction or penalties imposed on the Company and its subsidiaries, Directors or Management by the relevant regulatory bodies during the financial year.

Audit Fees and Non-Audit Fees

The amount of audit and non-audit fees paid and payable to external auditors by the Company and the Group for the financial year ended 31 December 2021 are as follows:

Details of Fee	Group (RM)	Company (RM)
Audit Fee	170,000	39,000
Non-Audit Fee	5,000	5,000

Variation in Results

There is no material variance between the financial results and the unaudited results previously made for the financial year ended 31 December 2021.

Profit Guarantee

There was no profit guarantee given by the Company during the financial year.

Material Contracts

There were no material contracts outside the ordinary course of business entered into by the Company and its subsidiaries involving Director's and major shareholder's interest which were still subsisting at the end of the financial year or entered into since the end of the previous financial year.

Revaluation of Landed Properties

The Company and its subsidiaries did not adopt any revaluation policy on landed properties during the financial year.

Profit Forecast Variance

There was no profit forecast issued in respect of the financial result ended 31 December 2021.

Recurrent related Party Transactions

The related party transactions are disclosed in pages 106 to 107 of this Annual Report.