

Terms of Reference of Nomination Committee

THIS TERMS OF REFERENCE APPLIES TO:

- MST Golf Group Berhad (Registration No.: 199301009307 (264044-M))
- MST Golf Sdn Bhd (Registration No.: 198901011987 (189294-P))
- MST Golf Management Sdn Bhd (Registration No.: 200101013452 (549209-A))
- MST Golf Arena Sdn Bhd (Registration No.: 199801015399 (471528-D))
- MST Golf (Singapore) Pte Ltd (Registration No.: 200002124N)
- PT MST Golf Distribution (AHU-0068036.AH.01.01.TAHUN 2023)
- PT MST Golf Indonesia (AHU-0067107.AH.01.01.TAHUN 2023)
- Unless otherwise specified, any other companies that may become subsidiaries of MST Golf Group Berhad after the effective date of this document.

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ADOPTION & REVISION HISTORY:

Rev.	Effective Date	Description	Approved by
0	12 May 2023	Formal Adoption	Board of Directors
1	22 Nov 2023	Changed "ARC" to "ARMC" throughout document.	Board of Directors
2	28 Aug 2024	Added the Indonesian subsidiaries under the list of subsidiaries on cover page. Changed "ARMC" to "AC". Amended Item 8.1.18 to specify assessment of all board committees by the Nomination Committee.	Board of Directors

(SEE NEXT PAGE FOR TERMS OF REFERENCE)

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1. DEFINITIONS

1.1. The following definitions shall apply in throughout this document:

AGM	Annual General Meeting
Board	The Board of Directors of the Company
Bursa Securities	Bursa Malaysia Securities Berhad
CA	Companies Act 2016
CFO	The Group's Chief Financial Officer
CEO	The Group's Chief Executive Officer
Chairman	Chairman of the Board and is used in a gender-neutral sense
Committee	The Board Committees of the Company
Company	MST Golf Group Berhad
Company Secretary	Board secretary(ies)
Constitution	Constitution of the Company
Directors	the Directors for the time being of the Company and unless otherwise stated, includes their duly appointed alternates
EGM	Extraordinary General Meeting
Group	The Company and its subsidiaries as listed in the first page of this document.
Independent Director	A Director who does not participate in the management of the Company and who satisfies the criteria for "independence" set out in the MMLR
Management	Management personnel of the Group
MMLR	Main Market Listing Requirements of Bursa Securities
MCCG	Malaysian Code on Corporate Governance
SC	Securities Commission Malaysia
Senior Management	Senior Management personnel of the Group

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2. OBJECTIVES

- 2.1. The Board forms the Company's nomination committee ("NC") with its primary function in line with the MCCG, to assist the Board in the following areas:
- 2.1.1. proposing new nominees for the Board - the actual decision as to who shall be nominated shall be the responsibility of the full Board after considering the recommendations of the NC;
 - 2.1.2. appraise each individual Director and CEO in terms of their individual experience, knowledge, credibility and credentials, and assess their effectiveness and contribution in carrying out their obligations and duties as a Board member;
 - 2.1.3. examine the ability of each Director, to contribute to the effective decision-making process of the Board and ensure that the Board is functioning actively, efficiently and effectively in all its decision making; and
 - 2.1.4. assess the effectiveness, size and composition of the Board as a whole and the committees of the Board.

3. COMPOSITION

- 3.1. The Chairman of the Board should not be the member of the NC. The chairman of the NC ("NC Chairman") shall be an independent non-executive Director or a senior Independent Director appointed by the Board from amongst the NC members.
- 3.2. The membership of the NC shall comprise exclusively Non-Executive Directors, a majority of whom are independent and number at least three (3) in total. The NC member shall automatically cease to be a member of NC when the member ceased to be a Director, or as determined by the Board.
- 3.3. No alternate Director shall be appointed as a member of the NC.

4. QUORUM AND MEETING PROCEDURES

- 4.1. The NC shall meet at least once (1) a year. More meetings may be conducted if the need arises. The quorum for a meeting of the NC shall be two (2) members, present in person.

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- 4.2. A resolution in writing, signed by all the members of the NC, shall be as effectual as if it has been passed at a meeting of the NC duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more NC members and may be accepted as sufficiently signed by NC members if transmitted to the Company by email, facsimile or other electronic means or digital written message/application to include a signature of NC members.
- 4.3. In the absence of the NC Chairman, the NC members present shall elect a chairman for the meeting from amongst the NC members present who would qualify under these terms of reference to be appointed to that position of the Board.
- 4.4. The NC members may participate in a meeting by means of conference telephone, conference videophone or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.
- 4.5. As a best practice, the NC Chairman should attend the AGM to answer any shareholder questions on the NC's activities.

5. SECRETARY

- 5.1. The Company Secretary shall be the secretary of the NC ("Secretary"). The Secretary, in conjunction with the NC Chairman, shall draw up an agenda, which shall be circulated together with the relevant supporting papers, at least one (1) week prior to each meeting to the members of the NC.

6. ATTENDANCE

- 6.1. The CEO may be invited to attend meetings to discuss the performance of executive Directors and make proposals as necessary.

7. ADVISERS

- 7.1. The NC is authorised by the Board to seek appropriate professional advice inside and outside the Group as and when it considers this necessary at the expense of the Company, subject to compliance with the provisions on such advisers stipulated in the Board Charter.

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8. RESPONSIBILITIES AND DUTIES

8.1. In fulfilling its primary objectives, the NC shall undertake the following responsibilities and duties:

8.1.1. Having evaluated the balance of skills, knowledge and experience on the Board, and hence defined the role and capabilities required for a particular appointment, be responsible for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise.

a) In making the recommendations, the NC will also consider candidates proposed by the CEO and within the bounds of practicability, by any other senior executive, Director or shareholder. The NC shall also utilise independent services to identify suitably qualified candidates. In making its recommendations, the NC shall assess and consider the following attributes or factors:

- (i) skills, knowledge, expertise and experience;
- (ii) professionalism;
- (iii) commitment (including time commitment) to effectively discharge his/her role as a Director;
- (iv) contribution and performance;
- (v) background, character, integrity, and competence;
- (vi) in the case of candidates for the position of Independent Non-Executive Directors, the NC shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-executive Directors;
- (vii) Boardroom diversity including gender diversity; and
- (viii) in considering independence, it is necessary to focus not only on a Director's background and current activities qualify him or her as independent but also whether the Director can act independently of management.

8.1.2. Make recommendations to the Board for the appointment of the Chairman, CEO, and Independent Director, including an assessment of the time commitment expected and recognising the need for availability in the event of crises.

8.1.3. Review and define orientation and induction plans for new directors.

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- 8.1.4. Develop, maintain and review the criteria to be used in the recruitment process and annual assessment of Directors. The nomination and the election process should be disclosed in the Company's annual report. If the selection of candidates was solely based on recommendations made by the existing board members, management or major shareholders, the NC should explain why other sources were not used.
- 8.1.5. Recommend to the Board, Directors to fill the seats on Committees.
- 8.1.6. Assess the training needs of each Director, review the fulfilment of such training, and disclose details in the Annual Report as appropriate.
- 8.1.7. Review the Board's succession plans.
- 8.1.8. Review and make recommendations to the Board on succession planning policy for the Management.
- 8.1.9. review annually the required mix of skills, experience and other qualities of the Board, including core competencies which Non-Executive Directors should bring to the Board. This activity shall be disclosed in the Company's annual report.
- 8.1.10. Assess annually the effectiveness of the Board as a whole, the Committees, the contribution of each individual Director including his time commitment, character, experience and integrity vide a formal and objective assessment. The evaluation of the Board includes a review of the Board's performance in addressing the Group's material sustainability risks and opportunities. All assessments and evaluations carried out by the NC in the discharge of all its functions shall be properly documented.
- 8.1.11. Assess annually the effectiveness and performance of the CEO, and Executive Chairman and Executive Directors.
- 8.1.12. Assess annually the independence of the Independent Directors, and the appointment and re-appointment of Independent Directors.
- 8.1.13. Consider the size and balance of the Board with a view to determine the impact of the number upon the Board's effectiveness and recommend it to the Board;
- 8.1.14. Recommend to the Board the Company's gender composition of the Board.
- 8.1.15. Recommend to the Board the protocol for accepting new directorships.

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- 8.1.16. Review, at least once a year, its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
- 8.1.17. Consider and recommend if appropriate the Independent Directors whose tenure exceeds cumulative term of nine (9) years for continuation in office, having due regard to their performance and ability to continue to contribute to the Board in the light of knowledge, skills and experience required. It is best practice that the tenure of an Independent Director should not exceed cumulative term of nine (9) years. After a cumulative term of nine (9) years, an Independent Director may continue to serve on the Board as a Non-Independent Director. However, if the Board intends to retain an Independent Director beyond nine (9) years, it should provide justification and seek shareholders' approval annually through a two-tier voting process as stipulated in the Board Charter.
- 8.1.18. Assess annually the term of office and performance of the Board's committees and each of their members to determine whether such committees and members have carried out their duties in accordance with their terms of reference.
- 8.1.19. Any other activities, as authorised by the Board.

9. PROCEDURES

- 9.1. The Board follows formal and transparent procedures when appointing directors as follows:
 - 9.1.1. The NC shall prepare descriptions of the director characteristics the Board is looking for in a new appointment.
 - 9.1.2. The NC will seek professional advice as and when it considers necessary to identify a short-list of suitable candidates and a list of nominations for candidates proposed by the CEO and Executive Chairman or Executive Director, and within the bounds of practicability, by any other senior executive, Director or shareholder for considerations.
 - 9.1.3. All the candidates are interviewed by at least two members of the NC whose evaluations will be circulated to all the members of the NC. A target appointment date is then fixed.
 - 9.1.4. The NC will then have to make a majority decision in recommending the appointment to the Board.

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- 9.1.5. The Board will then decide on the best candidate by ballot or majority decision and a Board resolution will be passed to appoint the candidate.
- 9.1.6. The written consent of the nominees to act if elected shall be secured.
- 9.2. The NC shall regulate its own procedure to be followed in the discharge of its duties and responsibilities set out in Section 8 above. The regulation and implementation of such procedure shall, as far as circumstances permit be in keeping with the principles and requirements of the MCCG.

10. MINUTES

- 10.1. The Secretary shall keep all the minutes of meetings of the NC and copies thereof shall be circulated to all members of the Board.

11. SUCCESSION PLANNING FOR BOARD

- 11.1. The NC shall, as and when required:
 - 11.1.1. keep under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
 - 11.1.2. give full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in future;
 - 11.1.3. make recommendations to the Board concerning the succession plans for Executive Directors and in particular for the CEO;
 - 11.1.4. make recommendations to the Board concerning the re-appointment of any non-executive director at the conclusion of his or her specified term of office, re-election of any director under the retirement by rotation provisions in the Company's Constitution, continuation (or not) in service of any director;
 - 11.1.5. make any necessary recommendations to the Board concerning the continuation in office, suspension or termination of service of any Director (subject, in the case of Group employees, to the provisions of their service contracts, if any); and
 - 11.1.6. make recommendations to the Board concerning the continuation (or not) in service of any Independent Director who has served consecutively or cumulatively more than 9 years.

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12. REVISION OF THE TERMS OF REFERENCE

- 12.1. Any revision or amendment to this Terms of Reference, as proposed by the NC or any third party, shall first be presented to the Board for its approval.
- 12.2. Upon the Board's approval, the said revision or amendment shall form part of this Terms of Reference and this Terms of Reference shall be considered duly revised or amended.

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