VANZO HOLDINGS BERHAD
[Registration No.: 202301051922 (1545836-M)]

RELATED PARTY TRANSACTION POLICY AND PROCEDURES

1. INTRODUCTION

This Related Party Transaction Policy and Procedures ("**Policy**") is established by Vanzo Holdings Berhad ("**the Company**") and its subsidiary companies ("**Group**") to ensure all Related Party Transaction ("**RPT**") and Related Party Transaction ("**RRPT**") is entered into, in accordance with the highest standard of ethical and business conducts.

The guiding principles are that RPT and RRPT when undertaken by the Group are at arm's length and on normal commercial terms which are not more favourable to the Related Party than those generally available to the public and are not on terms that are detrimental to the minority shareholders of the Company.

This Policy is applicable to all Directors, Major Shareholders and Executive Officers of the Group and Person Connected to them.

2. DEFINITIONS

For the purposes of this Policy, the following definitions shall apply:

a) "Chief Executive" means the principal executive officer of the Company for the time being, by whatever name called, and whether or not he is a Director.

b) "Director" has the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon:
   (i) a Director of the Company, its subsidiary or holding company; or
   (ii) a chief executive of the Company, its subsidiary or holding company.

c) "Major Shareholder" means a person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares is:
   (i) 10% or more of the total number of voting shares in the Company; or
   (ii) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company. For the purpose of this definition, "interest" shall has the meaning of "interest in shares" given in Section 8 of the Companies Act 2016.

   It includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the Company.

d) "Percentage Ratio" having the meanings as defined in Chapter 10 of the Listing Requirements.

e) "Person Connected" means a person connected as defined in Rule 1.01 of Chapter 1 of the Listing Requirements.

f) "Related Party" means a related party as defined in Rule 1.01 of the Listing Requirements. It generally refers to a Director, Chief Executive or Major Shareholder of the Group or Person Connected with such Director, Chief Executive or Major Shareholder.

g) "Recurrent Related Party Transaction" means a related party transaction which is recurrent, of a revenue or trading nature and which is necessary for day-to-day operations of the Group;

h) "related party transaction" means a transaction entered into by the Group which involves the interest, direct or indirect, of a related party;

i) A "transaction" includes:
   (i) the acquisition, disposal or leasing of assets;
   (ii) the establishment of joint ventures;
   (iii) the provision of financial assistance;
   (iv) the provision of receipt or services; or
   (v) any business transaction or arrangement entered into,
   by the Group but excludes transactions entered into between the Company (or any of its wholly-owned subsidiaries) and its wholly owned subsidiary.

3. IDENTIFICATION OF RPT AND RRPT

a) All Related Parties of the Group are responsible for providing written notice to the Audit and Risk Management Committee ("ARMC") of any potential RPT and RRPT involving him/her or Person Connected to him/her, including any additional information about the transaction that the ARMC may reasonably request. The ARMC will determine whether the transaction does, in fact, constitute a RPT or RRPT, and may engage professional or obtain third party opinion on the matter as required.

b) In addition, at least once a year, all Directors, Chief Executive and Major Shareholder (if practical) are required to complete a questionnaire disclosing names of companies in which he/she and/or their person connected hold directorships and/or substantial shareholding and any potential RPT and RRPT, if any.

c) The ARMC shall obtain a letter of confirmation from all Directors, Chief Executive and Major Shareholder as to their interest in any transaction with the Group for each financial year.

4. REVIEW AND APPROVAL BY ARMC

a) **Before** the terms of transaction are agreed upon, All RPT and RRPT must be subjected to formal review and approval by the ARMC.

b) The ARMC shall be provided with the material facts of all new, existing or proposed RPT or RRPT (including the terms of the transaction and the business purpose of the transaction) and either approve, disapprove or ratify such transactions.

c) In assessing a RPT or RRPT, the ARMC shall consider such factors as it deems appropriate, including without limitation:

(i) the business reasons for the Company or its subsidiaries to enter into the transaction;
(ii) the commercial reasonableness of the terms and conditions of the transaction;
(iii) the materiality of the transaction to the Group;
(iv) the terms of the transaction and whether the terms of the transaction are at arm's length, on terms not more favourable to Related Party(ies) than those generally available to the public, is not to the detriment of the minority shareholders and/or would apply on the same basis if the transaction did not involve a Related Party;
(v) the extent of the Related Party's interest in the transaction, if applicable;
(vi) the impact of the transaction on a non-employee Director's independence;
(vii) the actual or apparent conflict of interest of the Related Party participating in the transaction;
(viii) the control(s) put in place to manage and mitigate conflict of interest; and
(ix) Percentage Ratio of the contemplated transaction.

d) Interested Director shall not participate in the discussions, evaluation or approval of any RPT and RRPT for which he or she is a Related Party and will abstain from voting on the approval of the RPT and RRPT (including Persons Connected to the Interested Director if a general meeting is to be contended to approve the RPT and RRPT), except that the Interested Director shall provide all material information concerning the RPT and RRPT to the ARMC.

e) If RPT and RRPT will be ongoing, the ARMC may, in its discretion, establish guidelines for the Management (except interested Related Party(ies)) to follow in its ongoing dealings with the interested Related Party(ies). Thereafter, the ARMC shall periodically review and assess ongoing relationships with the Related Party(ies) to ascertain compliance with its guidelines.

f) If in any event, the ARMC decides not to ratify a RPT and RRPT that has been commenced without prior approval, the ARMC may direct additional actions, including, but not limited to, immediate discontinuation or rescission of the transaction, or modification of the transaction to make it acceptable for ratification.

g) In connection with any review of a RPT and RRPT, the ARMC has authority to modify or waive any procedural requirements of this policy.

h) Certain specified transactions are not normally regarded as RPT under Rule 10.08 (11) of the Listing Requirements and shall not require review or approval by the ARMC.

5. APPROVAL BY SHAREHOLDERS

a) In the event that any RPT requires approval from shareholders as set out in Listing Requirement or other applicable laws, the Company shall obtain its shareholder approval of the RPT in a general meeting and comply with all relevant rules and regulations.

b) The Company may seek a mandate from its shareholder in a general meeting for RRPT subject to compliance of the Listing Requirements.

6. ANNOUNCEMENT AND DISCLOSURE

a) All RPT and RRPT shall be reviewed by the ARMC and the Board to determine whether it is to be disclosed. For the avoidance of doubt, all RPT and RRPT must be disclosed based its Percentage Ratio as computed and guided by the disclosure requirements under Chapter 10 of Listing Requirements.

b) Prior to announcement of the RPT and RRPT, draft announcement and draft circular of RPT and shareholders' mandate for RRPT shall be subjected to review and approval by the ARMC on the draft announcement and draft Circular.

c) All RPT and RRPT transacted during each financial quarter shall be reported to the ARMC and the Board of Directors in the quarterly meeting.

d) All RPT and RRPT transacted during the financial year should be disclosed in annual report of the Company.

7. REVIEW OF THIS POLICY

The Board shall review and assess the relevance and effectiveness of this Policy periodically to assess their effectiveness, and in any event, at least once every 3 year, the Board deem necessary and/or require to ensure its relevance and effectiveness in keeping with the Group's changing business environment, administrative or operational needs as well as changes to legislations.

8. REVISION OF THIS POLICY

The provisions of this Policy can be amended and supplemented from time to time by a resolution of the Board.

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