

VELOCITY CAPITAL PARTNER BERHAD
[Registration No. 200001002113 (504718-U)]
(Incorporated in Malaysia)

CONFLICT OF INTEREST POLICY

1. Introduction

Velocity Capital Partner Berhad ("**the Company**") and its subsidiaries (collectively referred to as "**the Group**") is committed to maintaining the highest ethical standards and recognises that it must be seen at all times to be acting in accordance with highest standards of governance. Accordingly, the Group expects all directors, key senior management, legal representative(s) and employees to conduct themselves with integrity, impartiality and professionalism at all times, and to take all reasonable steps to avoid actual, potential or perceived conflict of interest that may arise in the performance of their duties.

Proper identification and management of conflicts of interest ensures that all business decisions are made in the best interests of the Group and the Group is safeguards from any consequent damage to its activities and reputation.

2. Objective

The purpose of this Conflict of Interest Policy ("**Policy**") is to ensure that actual, potential and perceived conflicts of interest are identified and managed effectively. It is intended to provide guidance on how to deal with conflict of interest situations as they arise.

3. Scope

This Policy applies to all directors, key senior management, legal representative(s) and employees of the Group (including employees on contract terms, temporary staff and those on internship programme or secondment).

This Policy applies whenever an individual recognises, or should reasonably recognise, that a conflict of interest may arise from their current or future activities. This Policy provides guidance on how to identify and declare all conflicts of interest, how to develop and implement actions to appropriately manage the conflict, and how to deal with breaches of this Policy. As it is not possible for the policy to be all-inclusive, directors, key senior management, legal representative(s) and employees must exercise reasonable judgment and seek to comply with this Policy.

4. Definitions

"Beneficial interest" refers to the right to receive economic benefits from an asset without being the legal owner of the asset, e.g. entitlement of income from shares held through a nominee.

"Conflict of interest" refers to a situation where the interests of a person interfere, or appear to interfere, with the interests of the Group or the said person has interests that may make it difficult to perform his or her role objectively and effectively. A conflict of interest is generally divided into three (3) categories:-

(a) **Actual** conflict of interest refers to direct or real conflict between a person's duties and responsibilities to the Group and a competing personal interest.

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(b) **Potential** conflict of interest refers to a situation where a person's private interest could potentially develop to influence the exercise of one's power or performance of duties or responsibilities to the Group.

(c) **Perceived** conflict of interest refers to a situation where others may reasonably perceive, or give the perception, that a conflict of interest exists which could affect one's decision or responsibility.

"ED" means Executive Directors.

"Family member", in relation to a person, means:-

- (i) A spouse of the person;
- (ii) A brother or sister of the person, or their spouses;
- (iii) A brother or sister of the spouse of the person;
- (iv) A lineal ascendant or descendant of the person (e.g. parents or children);
- (v) A lineal ascendant or descendant of a spouse of the person (e.g. parents-in-law);
- (vi) A lineal descendant of a person referred to in (ii) above (e.g. niece or nephew);
- (vii) The uncle, aunt or cousin of the person; or
- (viii) The son-in-law or daughter-in-law of the person.

"Material" in relation to shareholding means equity ownership of 5% or more.

5. Identifying Conflicts of Interest

A conflict of interest would arise where a person's ability to perform his/ her duties effectively or impartially is potentially impaired by personal interest, considerations or relationships.

Generally, conflicts of interest may be described under the following broad categories:-

(i) Equity ownership in entities having a business relationship with the Group

This is where a director, key senior management, legal representative or employee holds shares in privately owned entities having a business relationship with the Group, either directly or indirectly (e.g. through a family member). This does not apply to shares held in publicly quoted companies which have a business relationship with the Group, unless such holding is considered to be material and the interest is likely to impair the objectivity of the director, key senior management, legal representative or employee concerned.

(ii) Directorship, partnership or other forms of beneficial interest in entities having a business relationship with the Group

This applies to situations where a director, key senior management, legal representative or employee holds a position or has an interest in entities having a business relationship with the Group, including financial interest in any of the

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Group's projects, contracts, sales, transactions or other business dealing or have family members, close relatives or associates with such interests. An example would be where an employee of the Group is a director of a company supplying materials to the Group. Such situations would result in a conflict of interest.

(iii) Contractual dealings with director, key senior management, legal representative or employee

This refers to situations where the Group purchases or leases property, equipment, materials, etc. from directors, key senior managements, legal representatives or employees, or enters into contractual arrangement(s) with a director, key senior management, legal representative or employee (other than employment contracts). Such situations give rise to a conflict of interest, and should be declared.

(iv) Other employment, business appointments or undertakings

A conflict of interest may arise where a director, key senior management, legal representative or employee holds other part-time employment, or has other business appointments, opportunities or undertakings which may interfere with the proper discharge of official duties in the Group, resulting in a negative impact on their performance or give rise to conflict of interest or potential conflict of interest with regards to their employment.

The director, key senior management, legal representative or employee is expected to devote his/her time, attention and commitment during work hours to his/her job duties. A conflict of interest can also arise where participation in any business activity or any non-business activity outside working hours demands excessive time and attention from the director, key senior management, legal representative or employee, thereby depriving the Group of their best effort on the job or resulting in a negative impact on performance.

(v) Personal family relationships

A conflict of interest would exist if a family member of the director, key senior management, legal representative or employee has a reporting relationship with the director, key senior management, legal representative or employee. A director, key senior management, legal representative or employee should not be in the same department/division as a family member, and should not directly or indirectly supervise, or be in a position to influence the hiring, work assignments or assessments of the family member.

A conflict of interest would also arise if a director, key senior management, legal representative or employee has a family member with an interest (e.g. in the form of ownership, directorships, partnerships, employment, etc.) in entities which have a contractual arrangement with the Group. An example would be where an employee's spouse is working in a company providing consultancy services to the Group. This also applies to situations where a family member of a director, key senior management, legal representative or employee is working

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in a company bidding for a project to be awarded by the Group, although there is no contractual arrangement yet.

- (vi) Involvement in activities where the director, key senior management, legal representative or employee concerned is the subject matter

A conflict of interest arises if a director, key senior management, legal representative or employee participates in activities where he/she is the subject of the discussion or where the decision involves him/her. An example of this situation is where an allegation is made against a director, key senior management, legal representative or employee through the whistleblowing channel, and the director, key senior management, legal representative or employee is part of the investigating team tasked with investigating the allegation.

- (vii) Dealings with business associates or competitors

If a director, key senior management, legal representative, employee or family member of a director, key senior management, legal representative or employee has financial or other interests or any involvement in the business of a business associate or competitor, or holds a directorship in a business associate or competitor, such a situation would give rise to a conflict of interest. This does not apply to the holding of publicly quoted shares of business associate or competitor companies, unless such holding is considered to be material and the interest is likely to impair the objectivity of the director, key senior management, legal representative or employee concerned.

If an employee has accepted employment with a business associate or competitor, this could also result in a conflict of interest during the period which the employee is still employed with the Group, especially if the employee is dealing with sensitive or confidential information. As such, the conflict of interest must be declared immediately upon acceptance of employment with the competitor to enable the Group to take the necessary actions to manage the conflict.

6. General Responsibilities

All directors, key senior management, legal representative and employees of the Group are responsible for identifying and managing conflicts of interest on an ongoing basis and are required to:-

- (a) comply with this Policy and other applicable policies and guidelines relating to the identification, documentation, escalation and management of conflicts of interest;
- (b) act with objectivity, integrity and independence, and exercise sound judgement and discretion;
- (c) avoid, wherever possible, situations giving rise to conflicts of interest as described in this Policy; and

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- (d) immediately declare the conflict of interest in accordance with this Policy, remove themselves from the decision-making process and not seek to influence such decisions any further.

7. Managing Conflict of Interest

Any conflict of interest must be declared by filling up the Conflict of Interest or Potential Conflict of Interest Declaration Form as set out in **Appendix "A"** of this Policy. For employees, the conflict of interest must be escalated to ED for further action. In the case of directors, the conflict must be disclosed to the Audit Committee and Board of Directors and recorded by the Company Secretary.

The declaration shall be made as and when the conflict arises, and shall be made at the earliest opportunity, i.e. as soon as the director, key senior management, legal representative or employee becomes aware of the conflict. The completed Declaration Form shall be forwarded to Audit Committee and Board of Directors by the person with the conflict concerned.

Where there is any change in the nature and extent of a director, key senior management, legal representative or employee's interest subsequent to an existing disclosure, the director, key senior management, legal representative or employee shall make a further disclosure of such changes.

In addition to declaring the conflict of interest, appropriate steps must be taken to manage the conflict and to mitigate the impact of the conflict on the negotiation, discussion or decision making process. Ideally, the conflict should be avoided altogether, e.g. by relinquishing the interest that gives rise to the conflict. However, there are circumstances where it may not be practical to totally avoid the conflict, in which case, appropriate actions must be taken, depending on the nature and severity of the conflict.

Where the conflict is not likely to arise frequently, and the impact of the conflict is minimal, the participation of the person in the negotiation, discussion or decision making process should be limited and restricted. Such limitation and restriction should include, but is not limited to the following:-

- (i) Not participating in any critical criteria setting or decision making role in the process.
- (ii) Refraining from discussions about the matter.
- (iii) Limiting access to information and denying access to sensitive documents or confidential information in the process.
- (iv) Abstaining from voting on the decision.

Where the conflict is ongoing and could have serious implications, the person with the conflict should be removed from the process, which includes the following:-

- (i) Abstaining from any involvement whatsoever in the matter.
- (ii) Rearranging duties and responsibilities to a non-conflicting function but not to a person who is supervised by the person with the conflict.

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(iii) Transferring the person with the conflict to another project or another area of the Group.

8. Compliance with the Companies Act 2016 and Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”)

The director, key senior management, legal representative or employee shall comply with all conflicts of interest requirements under the Companies Act 2016, and, to the extent that the interest of the director, key senior management, legal representative or employee gives rise to a related party transaction, and the relevant director, key senior management, legal representative or employee shall also comply with the requirements under the Listing Requirements or any other relevant regulatory requirements, where applicable.

9. Monitoring and Maintenance of Records

ED is responsible for monitoring conflicts of interest involving employees. Upon receiving the Conflict of Interest or Potential Conflict of Interest Declaration Form, ED shall review the actions taken to address the conflict and decide, on a case-by-case basis, whether such actions are appropriate and sufficient. If the ED is of the view that actions taken by the person with the conflict is not sufficiently managed or addressed the conflict, the ED shall recommend for further action or escalate the matter to the Board of Directors for a decision to be made. ED shall be consulted if there are any doubts with regards to a conflict of interest situation.

For conflicts of interest involving employees, ED shall maintain records of all conflict of interest declarations as well as other related documents. Upon receiving the Conflict of Interest or Potential Conflict of Interest Declaration Form, ED shall review the actions taken to address the conflict and decide, on a case-by-case basis, whether such actions are appropriate and sufficient.

For conflicts of interest involving Directors, the Company Secretary shall maintain records of the declarations and any other related documents.

10. Breach of Policy

Failure to disclose a conflict of interest, provide complete and accurate information on the conflict or appropriately manage the conflict is a breach of this Policy and could result in disciplinary action being taken by the Group.

11. Review of this Policy

This Policy will be reviewed as and when required and updated in accordance with the needs of the Group, to ensure its effectiveness. Any revision or amendment to this Policy, shall first be presented to the Audit Committee for review and subsequently to the Board of Directors for approval and be communicated to all levels of the Group subsequently.

This Policy is adopted by the Board of Directors of the Company on 26 February 2025.

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**CONFLICT OF INTEREST OR POTENTIAL CONFLICT OF INTEREST
 DECLARATION FORM**

Reference No.: _____

I, _____ (NRIC No. _____) hereby declare an actual/potential conflict of interest as follows:

CATEGORIES OF CONFLICT OF INTEREST OR POTENTIAL CONFLICT OF INTEREST

	Equity ownership in entities having a business relationship with the Group
	Directorship, partnership or other forms of beneficial interest in entities having a business relationship with the Group
	Contractual dealings with director, key senior management, legal representative or employee
	Other employment, business appointments or undertakings
	Personal family relationships
	Involvement in activities where the director, key senior management, legal representative or employee concerned is the subject matter
	Dealings with business associates or competitors
	Others

(Kindly tick ✓ whichever is applicable)

DETAILS OF CONFLICT OF INTEREST OR POTENTIAL CONFLICT OF INTEREST

I hereby confirm to the best of my knowledge that this is a complete disclosure of all my conflicts of interest or potential conflict of interest to date.

 Name:
 Position:
 Date of Declaration:

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FOR USE BY AUDIT COMMITTEE & BOARD OF DIRECTORS

Reference No.: _____

DECISION BY AUDIT COMMITTEE & BOARD OF DIRECTORS

The Audit Committee & Board of Directors have reviewed the conflict of interest or potential conflict of interest disclosure.

Reviewed by:

Chairman of Audit Committee
Name:
Date:

Approved by:

Chairman of Board of Directors
Name:
Date: