



MYP LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200509721C)

RESPONSE TO QUERIES RAISED BY THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON ANNOUNCEMENT OF ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

The Board of Directors (the “**Board**”) of MYP Ltd. (the “**Company**”) together with its subsidiaries (the “**Group**”) refers to the queries raised by the Singapore Exchange Securities Trading Limited on 27 July 2021, and set out below its responses to the questions:

Question 1

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the “**Code**”), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provision 2.4 of the Code as you have not disclosed your board diversity policy and progress made towards implementing the board diversity policy, including objectives, and there were no explanations were provided for in your FY2021 annual report on how it is consistent with the intent of Principle 2 of the Code. Please clarify how the practices the Company had adopted are consistent with the intent of Principle 2 of the Code, which requires the Board to have an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interest of the Company.

Company’s responses:

As to the compliance of Provision 2.4 of the Code, the current Board of the Company has endorsed the principle that its Board should have an appropriate level of independence and balance and diversity of skills, knowledge, experience, competencies and diversity of perspectives appropriate to its business to enable them to contribute effectively and to mitigate against groupthink and to ensure that the Group has the opportunity to benefit from all available talents. The profiles of the Directors are set out on **pages 7 to 8** of the Annual Report 2021.

As disclosed on **page 13** of the Annual Report 2021, the following are relevant steps have been taken by the Board to embrace recommended best practices of Provision 2.4 of the Code:-

The Company’s Nominating Committee (“**NC**”) is responsible for examining the size and composition of the Board and Board Committees. Having considered the scope and nature of the Group’s businesses and the requirements of the business, the NC is of the view that the current board size and the existing composition of the Board and its committees exhibit a level of independence that sufficiently enables the Board and its committees to exercise objective judgment on corporate affairs independently from the Management. The NC is also of the view that no individual or small groups of individuals dominate the Board’s decision-making processes. The Board has determined, taking into account the views of the NC, that each Independent Director is independent in character and judgement and that there are no relationships or circumstances which are likely to interfere, or could appear to interfere, with the exercise of the Director’s independent judgement.

The current Board comprises Directors who as a group provide the appropriate balance and mix of skills, knowledge, experience and gender as well as relevant core competencies as follows:–

Balance and Diversity of the Board		
Core Competencies	Number of Directors	Proportion of Board
Accounting or finance	5	100%
Business management	5	100%
Legal or corporate governance	3	60%
Relevant industry knowledge or experience	5	100%
Strategic planning experience	5	100%
Customer based experience or knowledge	3	60%
Gender		
Male	4	80%
Female	1	20%

To assist the NC in its annual review of the Directors' mix of skills, and experiences that the Board requires to function competently and efficiently, the Directors have completed their assessment forms and provide additional information (if any) in their respective areas of specialization and expertise.

The NC will continuously review the composition of the Board so that it will have the necessary competency to be effective. The NC will further consider other aspects of diversity, and assist the Board to put in place a board diversity policy and progress for implementation of such policy, so as to avoid groupthink and foster constructive debate.

With its current board composition and considering the Company's current business structure, the Company believes that it has one of the most diversified board in terms of appropriate balance and mix of skills, knowledge, and experience. The current Board comprises 5 directors, out of which 3 are independent directors that made up a majority of the Board, as such, there is a strong independent element on the Board with no individual or groups of individuals are able to dominate the Board's decision-making process as well as in compliance with the Provision 2.2 and 2.3 of the Code.

In addition, the board meets regularly and performs annual assessment to evaluate board effectiveness as well as its diversity. Any comments from board member are taken into consideration by the NC which in turn make recommendation to the Board where necessary.

In view of the above, the Company believes that its practices are consistent with the intent of Principle 2 of the Code.

Question 2

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code, an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provision 3.1 of the Code as the Company's Chairman and CEO position is filled by the same person, and there were no explanations were provided for in your FY2021 annual report on how it is consistent with the intent of Principle 3 of the Code. Please clarify how the practices the Company had adopted are consistent with the intent

of Principle 3 of the Code, which requires a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision making.

Company's responses:

Mr Jonathan Tahir is the Executive Chairman and CEO of the Group. His role is to oversee the overall management, strategic planning and business operations and development as well as finance and risk management of the Group.

Under Provision 3.1 of the Code, the Chairman and the CEO are to be separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making. As Mr Jonathan Tahir is both the Executive Chairman and CEO of the Group, the Group has not complied with Provision 3.1 during FY2021.

As disclosed on **page 14** of the Annual Report 2021, the Board is of the opinion that it is not necessary to separate the roles of the Chairman and the CEO after taking into account the size, scope and nature of the operations of the Group. Although the roles of Chairman and CEO are not separate, the Board is of the view that there are sufficient independent elements, safeguards and checks to ensure that the process of decision making by the Board is independent and based on collective decisions without any individual or groups of individuals exercising any considerable concentration of power or influence and there is accountability for good corporate governance.

The Board is of the view that it is currently in the best interests of the Group to adopt a single leadership structure having Mr Jonathan Tahir as the Executive Chairman and CEO of the Group to facilitate the decision-making process of the Group and is thereby better able to guide discussions and ensures that the Board is properly briefed in a timely manner on pertinent issues and developments. In this respect, the Board is also of the view that there is a balance of power and authority with the Board comprises three (3) Independent Directors, one (1) Non-Executive Director and one (1) Executive Director as well as various Committees all chaired by the Independent Directors. As the Board and its committees consist of a majority of independent directors, the Board believes that there are sufficient safeguards and checks to ensure that the process of decision-making by the Board is independent and based on collective decisions without any individual or group of individuals exercising any considerable concentration of power or influence, as such, no lead independent director has been appointed. The Company will review should such a need arise.

All major proposals and decisions made by the Executive Chairman and CEO are discussed and reviewed by the Audit Committee. His performance and appointment to the Board is reviewed periodically by the NC and his remuneration package is reviewed periodically by the Remuneration Committee.

The Board will take into consideration the separation of the role of the Chairman and the CEO as stipulated as part of the on-going succession planning and Board renewal process, which should materialise in the near future.

The Board has established and set out in writing the division of responsibilities between the roles of Chairman and the roles of CEO notwithstanding that these roles are assumed by the same person.

The Chairman's roles and responsibilities include:

- (i) lead the Board to ensure its effectiveness on all aspects of its role;
- (ii) set the agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;
- (iii) promote a culture of openness and debate at the Board;
- (iv) ensure that the Directors receive complete, adequate and timely information;

- (v) ensure effective communication with Shareholders;
- (vi) encourage constructive relations within the Board and between the Board and the management;
- (vii) facilitate the effective contribution of Non-Executive Directors in particular;
- (viii) encouraging constructive relations between Executive Director and Non-Executive Directors;
- and
- (ix) promote high standards of corporate governance.

The roles and responsibilities of the CEO are set out in a service agreement entered into between the Company and the CEO. The CEO is responsible for the development and expansion of the Group's business and is responsible for the Group's entire operations, strategic planning, major decision-making, as well as developing the business and vision of the Group.

The above had been disclosed on **pages 14 and 15** of the Annual Report 2021.

To further elaborate on major decision-making processes, the Company has put in place policies and procedures to ensure timely and effective communication between the CEO, management and the Board. All major proposals are discussed in an open manner during board meetings. Any feedback and comments from the directors are taken into consideration before a final decision is made. The Board approvals of major decisions are obtained and documented before the Company proceed with its decisions.

In view of the above, the Company believes that its practices are consistent with the intent of Principle 3 of the Code.

By Order of the Board
MYP LTD.

Jonathan Tahir
Executive Chairman and Chief Executive Officer
28 July 2021