

PEGASUS HEIGHTS BERHAD
[Registration No. 197401002677 (19727-P)]

CODE OF CONDUCT

Pegasus Heights Berhad (“**PHB**” or “**the Company**”) business practices have been governed by integrity, honesty, fair dealing and compliance with all applicable laws since its inception.

PHB’s Code of Conduct (“**the Code**”) applies to all Executive Directors, officers and employees (“**Affected Personnel**”) and sets forth the standards by which we conduct our operations as well as to assist in the continued implementation of the Company’s business principles.

The Code applies to all businesses and countries in which the Company operates and is not intended to be exhaustive nor can it anticipate every situation which may occur. Affected Personnel should seek guidance when they are in doubt about the proper course of action in a given situation. In this regard, the Company expects the Affected Personnel to use their common sense and sound judgment. However, compliance with this Code is an obligation owed by all Affected Personnel to each other and to the Company.

GENERAL PRINCIPLES

Organisational Code of Conduct

PHB and all Affected Personnel must, at all times, comply with all applicable laws and regulations. PHB will not condone the activities of Affected Personnel who achieve results through violation of the law or unethical business dealings.

All business conduct should be well above the minimum standards required by law. Accordingly, the Affected Personnel must ensure that their actions cannot be interpreted as being, in any way, in contravention of the laws and regulations governing PHB’s operations.

General Employee Conduct

All Affected Personnel must act honestly and fairly in all business transactions and dealings with others and must act within the best interests of PHB.

Affected Personnel must treat others within the Company, suppliers, customers, and all other persons with whom they deal with at work with the utmost courtesy and respect.

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PROFESSIONAL CONDUCT

Conflicts of Interest

PHB expects that the Affected Personnel will perform their duties conscientiously, honestly, and in accordance with the best interests of the Group.

Affected Personnel must take care to separate their personal roles from their PHB positions when communicating on matters not involving PHB's business.

Affected Personnel must not use their positions or the knowledge gained as a result of their positions for private or personal advantage. Regardless of the circumstances, if the Affected Personnel sense that a course of action they have pursued, or are presently pursuing, or are contemplating pursuing may involve them in a conflict of interest with their employer, they should immediately communicate all the facts to their immediate superior.

Gifts, Gratuities and Entertainment

Affected Personnel must not accept entertainment, gifts, or personal favours that could, in any way, influence, or appear to influence, business decisions in favour of any person or organization with whom or with which PHB has, or is likely to have, business dealings.

The Affected Personnel must not accept any other preferential treatment under these circumstances because their positions with PHB might be inclined to, or be perceived to, place them under obligation to return the preferential treatment.

Similarly, Affected Personnel must not corruptly give, agree to give, promise or offer to any person any gratification whether for the benefit of that person or another person with intent to obtain or retain business for PHB or to obtain or retain an advantage in the conduct of business for PHB.

Involvement in Other Employment or Business

Affected Personnel are expected to devote the whole of their time and attention during working hours to the business of PHB and at other times as reasonably necessary to properly perform their duties.

PHB discourages Affected Personnel from seeking additional employment or business outside the Group which may interfere with their commitments with PHB. Specifically, this means any employment outside PHB which:

- Could lead to a conflict of interest, such as working for a PHB customer, supplier or competitor of PHB.

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- Results in absenteeism, inability to meet job requirements, or poor job performance at PHB.

Affected Personnel shall not without the consent of PHB be engaged in any additional employment or business outside the Group.

Fair Dealings with Third Parties

Affected Personnel involved in the negotiation of agreements and contracts on behalf of PHB must ensure that all statements, communications and representations are accurate and truthful and must act honestly and fairly in all such business transactions.

Fraudulent Activities

Affected Personnel must not enter into fraudulent activities. Fraudulent activities encompass an array of irregularities and illegal acts characterised by intentional deception. Fraud can be perpetrated by persons outside as well as inside PHB.

No one has the authority to commit illegal acts related to PHB. Fraudulent activities include acts that are not only a detriment to PHB, but also a detriment to third parties. Engaging in any act that involves fraud, theft, embezzlement or misappropriation of any property, including that of PHB, or any of its employees, suppliers or customers is strictly prohibited.

Prompt Communications

In all matters relevant to customers, suppliers, government authorities, the public and others in PHB, the Affected Personnel must make every effort to achieve complete, accurate, and timely communications, responding promptly and courteously to all proper requests for information and to all complaints.

USE OF COMPANY PROPERTY, INFORMATION AND RESOURCES

General Misuse

Generally, the use of the property, information, and resources of PHB for any purposes other than the business of PHB is prohibited.

Affected Personnel are not authorised to use PHB 's name or letterhead except in the ordinary course of business and for the legitimate business of PHB.

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Funds and Other Assets

Affected Personnel who have access to funds in any form must follow the prescribed procedures for recording, handling, and protecting money as detailed in the Company's policies and procedures.

PHB imposes strict standards to prevent fraud and dishonesty. If any Affected Personnel become aware of any evidence of fraud and dishonesty, they should immediately advise their superior so that the matter can be promptly investigated.

Funds and all other assets of PHB are for the use of PHB only and not for personal benefit. When an Affected Personnel's position requires spending PHB's funds or incurring any reimbursable personal expenses, that individual must use good judgment on PHB's behalf to ensure that good value is received for every expenditure.

Records and Communications

Accurate and reliable financial books, records and statements are necessary to meet PHB's legal and financial obligations and to manage the affairs of the Company. The books and records must reflect in an accurate and timely manner all business transactions undertaken by the Company. The Affected Personnel responsible for accounting and recordkeeping must fully disclose and record all assets and liabilities, and must exercise diligence in enforcing these requirements.

Confidentiality

Over the course of employment with PHB, the Affected Personnel may be exposed to confidential information regarding PHB, its customers, suppliers, contractors or employees. The Affected Personnel are expected to keep any such information confidential.

All current and former Affected Personnel of PHB may not make improper use of confidential information which they may have acquired as a result of their employment with PHB to gain directly or indirectly an advantage for themselves, or any other person, or to cause detriment to PHB or its customers, suppliers, contractors or employees.

Confidential information includes, but is not limited to, all trade secrets, intellectual property, marketing, sales and business plans, customer and supplier lists, personal customer information, including account history/activity, and any other information concerning the business, finances, transactions or affairs of PHB.

It is important for all Affected Personnel to note that the obligations relating to confidentiality will remain in force for the duration of their employment and after the termination of their employment.

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ADMINISTRATION OF THE CODE

Where to Get Guidance

Affected Personnel can seek advice from the Company's Human Resource Department if you are uncertain as to the interpretation of the Code.

Whistleblowing

Affected Personnel who become aware of a suspected violation of the Code, whether before or after it has occurred, must promptly report the matter to their superior or Chairman of the Board of Directors in accordance with the Group's Whistleblowing Policy and Procedures. If the Affected Personnel are still concerned after speaking with such person or feel uncomfortable speaking with such person (for whatever reason), they may contact the Chairman of the Audit Committee and the Audit Committee will deliberate the matter reported and decide on the appropriate action.

Violations or any concerns or questions about potential violations by any Director or Senior Management personnel of PHB should be promptly reported to the Chairman of the Audit Committee or the Chairman of the Board of Directors.

Reporting to the Audit Committee

Any breaches of the Code will be reported to the Audit Committee after taking into account obligations in respect of confidentiality.

PERIODIC REVIEW

This Code shall be reviewed annually and may be amended by the Board of Directors as it deems appropriate.

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