

CORPORATE GOVERNANCE REPORT

STOCK CODE : 9199
COMPANY NAME : LYSAGHT GALVANIZED STEEL BERHAD
FINANCIAL YEAR : December 31, 2025

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	: Applied
Explanation on application of the practice	<p>The Board of Directors' ("Board") function, amongst others, is to lead the Company and its subsidiaries ("Group") towards achieving its short and long-term objectives, providing advice, stewardship and directions to Management, setting corporate strategies for growth and new business development, as well as overseeing the governance of sustainability within the Group.</p> <p>The Board's principal responsibilities include the following:</p> <ul style="list-style-type: none"> • Reviewing and adopting a strategic plan for the Group; • Overseeing the conduct of the Group's business and to build sustainable value for shareholders; • Identifying principal risks and ensuring the implementation of appropriate risk management, internal controls and mitigation measures; • Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing senior management; • Overseeing the development and implementation of an investor relations programme or shareholder communications policy for the Group; and • Reviewing the adequacy and the integrity of the management information systems and internal control system of the Group including systems for compliance with applicable laws, regulations, rules, directives and guidelines. <p>To discharge its functions and responsibilities orderly and effectively, the Board has established and delegated specific authorities to the following Board Committees to assist in discharging its oversight function of the Management of the Group:</p> <ul style="list-style-type: none"> • Audit Committee ("AC") • Nomination Committee ("NC")

	<ul style="list-style-type: none"> • Remuneration Committee (“RC”) • Sustainability and Risk Management Committee (“SRMC”) <p>The above roles and responsibilities of the Board have been formalised in the Board Charter. The functions, composition, roles and responsibilities, authority and procedures of each Board Committee are set out in their respective Terms of Reference (“TOR”) approved by the Board to ensure effective and efficient decision-making within the Group.</p> <p>Each Board Committee is actively engaged in overseeing the governance matters under their purview in accordance with their respective TOR. The Board Committees are provided with the authority and adequate resources, which include among others, to obtain independent professional advice, if necessary, at the Company’s expense to enable them to discharge their duties and responsibilities.</p> <p>The Board acknowledges that while these Board Committees have the authority to examine issues and make recommendations to the Board, the ultimate responsibility and decision-making for all matters lies with the Board.</p> <p>The Board Charter and the TOR of each Board Committee are available on the Company’s website at www.lysaghtgalvanizedsteelbhd.com.and will be reviewed by the Board periodically to ensure its relevance and effectiveness.</p>	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application	:	Applied
Explanation on application of the practice	:	<p>Mr Ee Beng Guan, the Non-Independent Non-Executive Chairman of the Board, is responsible for Board effectiveness and to ensure that the conduct and working of the Board is in an orderly and effective manner.</p> <p>The responsibilities of the Chairman of the Board, amongst others, are as follows:</p> <ul style="list-style-type: none">• Provides overall leadership to the Board, without limiting the principle of collective responsibility for Board decisions;• Participates in the selection of Board members and ensuring that the membership is properly balanced;• Sets agenda for Board meetings, in conjunction with the management and secretary. The Chairman ensures that all agenda and all necessary background paper are given to Directors in sufficient time to enable the papers to be adequately considered before the meeting;• Chairs meetings of the Board in such a manner that will stimulate debate on the issues before the Board and encourage the most effective contribution from each Director;• Reviews the minutes of meetings of the Board before meeting, to ensure they accurately reflect the Board's deliberations, and matters arising from the minutes and on which further action is required have been address;• Initiates, in conjunction with the management, the formation of a business plan to ensure that the Board establishes at the beginning of each year the goals it wishes to achieve and the means by which this will be carried out;• Initiates the establishment of Board Committees and ensures that they achieve their objectives;• Ensures high corporate governance;• Encourages all Directors to play an active role in Board activities; and• Chairs general meetings of shareholders
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure :		
Timeframe :		

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.3

The positions of Chairman and CEO are held by different individuals.

Application	:	Applied
Explanation on application of the practice	:	<p>The roles and responsibilities of the Chairman and Chief Executive Office (“CEO”) are strictly separated and clearly defined in the Board Charter. Both positions are held by different individuals to ensure clear balance of power and authority and to maintain effective supervision and accountability of the Board and Management.</p> <p>The Board is led by Mr Ee Beng Guan, the Non-Independent Non-Executive Chairman, who manages the Board by focusing on governance and compliance matters of the Group.</p> <p>Ir. Chua Tia Bon, the CEO, takes on the primary responsibility of managing the Group’s businesses and resources, overseeing the day-to-day operations of the Group, as well as implementation of the Board’s decisions, policies and strategies.</p> <p>The detailed roles and responsibilities of the Chairman and CEO are stated in the Board Charter which is available on the Company’s website at www.lysaghtgalvanizedsteelbhd.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application	: Departure
Explanation on application of the practice	:
Explanation for departure	: <p>Our Chairman of the Board, Mr Ee Beng Guan is not a member of the Audit Committee, Nomination Committee and Remuneration Committee. However invitations are extended to him for his participation in the AC meetings to observe the presiding and conduct of the AC meetings. He is deemed as an objective person and AC welcomes his presence and input.</p> <p>The Chairman of the Board is only an invitee to the AC meetings. The AC views that his presence will not breach the check and balance system as well as objective review by the AC on the agendas/matters presented during the meetings. He provides inputs and assists in answering questions from the AC. His presence does not impair the objective of the Chairman and the AC when deliberating on the observations and recommendations put forth by the AC. The AC is still functioning independently with the members expressing their views objectively without prejudice.</p> <p>The final decision/approval still lies with the AC which comprise solely of Independent Directors. In view thereof, the independent directors can bring focus, clear perspective and the ability to lead objective discussions and if necessary, driver better decision-making and results.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	: Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	: Choose an item.

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supported by a professionally qualified and competent Company Secretary, Ms Lim Chien Joo. The Company Secretary is a member of the Malaysian Institute of Chartered Secretaries and Administrators and is qualified and licensed to act as a Company Secretary under Section 235(2) of the Companies Act 2016 (“CA 2016”).</p> <p>The Company Secretary works closely with the Board and Board Committees, plays a vital role in advising and updating on corporate governance related matters and ensures that the Board adheres to the relevant statutory and regulatory requirements, as well as the Company’s Constitution and the Board’s policies and procedures.</p> <p>The Company Secretary ensures that deliberations at Board and Board Committees’ meetings are well documented and subsequently communicated to Management for appropriate actions.</p> <p>The roles and responsibilities of the Company Secretary include, among others, the following:</p> <ul style="list-style-type: none">• Manage all Board and Board committees’ logistics, attend and record minutes of all Board’s and Board committees’ meetings and facilitate Board communications;• Advise the Board on its roles and responsibilities;• Ensure adherence to Board’s and Board committees’ policies and procedures;• Facilitate the orientation of new Directors and assist in Directors’ training and development;• Advise the Board on corporate disclosures and compliance with company and securities regulations and the Main Market Listing Requirements of Bursa Securities Malaysia Berhad;• Ensure timely communication of Board’s and Board committees’ decisions to Executive Management for action;• Manage processes pertaining to general meetings;• Monitor corporate governance developments and assist the Board in applying governance practices to meet Board’s needs and stakeholders’ expectations;• Notify the Chairman of any possible violations of regulatory requirements; and

	<ul style="list-style-type: none"> • Serve as a focal point for stakeholders' communications and engagement on corporate governance issues. <p>The Company Secretary keeps herself abreast of the evolving capital market environment, as well as the changes and developments in relevant corporate governance and regulatory requirements by undertaking continuous professional development.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

Application	:	Applied
Explanation on application of the practice	:	<p>To facilitate the Directors' time planning, the annual meeting schedule of the Board and Board Committees' meetings of the Company is circulated in advance and confirmed by the Board at the beginning of each financial year to provide ample time for the Directors to plan their attendance.</p> <p>The notices of meetings and agenda are sent to the Directors electronically at least one week in advance and Board meeting papers are delivered to the Directors in hard copies at least five (5) business days prior to Board meetings.</p> <p>This enables the Directors to prior peruse the matters to be deliberated upon, and if necessary, to obtain further information, to facilitate effective deliberation and informed decision-making during meetings.</p> <p>The Board papers include, among others, the following documents or information:</p> <ul style="list-style-type: none">• Reports of meetings of all Board Committees, including matters requiring the Board's deliberation, approval and notation;• Performance reports of the Group, which include information on financial, strategic business issues and updates;• Major operational, financial, legal, regulatory and corporate issues; and• Board papers for other matters for discussion/approval. <p>All deliberations and decisions of the Board meetings were minuted and recorded accordingly by the Company Secretary. The Company Secretary, where relevant, seeks clarification from Management to ensure that the draft minutes appropriately captured relevant technical points and issues discussed at the meeting.</p> <p>Upon completion of each Board meeting, the Company Secretary will circulate the minutes to the Directors for review as soon as practicable, before the Chairman confirms the minutes at the following Board meeting. The Directors ensure that the minutes of meetings accurately reflect the deliberations and decisions of the Board, including dissenting views and instances where Directors abstain from deliberation and</p>

	<p>decision-making on a particular matter, as well as the rationale behind those decisions.</p> <p>Such minutes, having been signed by the Chairman of the next succeeding Board meeting, shall be sufficient evidence of such proceedings.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has formally adopted a Board Charter that sets out the respective roles and responsibilities of the Board, Board Committees and Management and the standard of conduct expected of individual Directors.</p> <p>The Board Charter clearly sets out the matters reserved for the Board, except where they are expressly delegated to a Board Committee, the Chairman, the CEO or a nominated member of Management.</p> <p>More information on the Board Charter can be found on the Group's website at www.lysaghtgalvanizedsteelbhd.com.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board, together with Management, is committed to promote good corporate governance culture within the organisation which reinforces ethical, prudent and professional behaviour. As guided by the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”), the Board continuously upholds corporate governance standards and values in the organisation and strives to lead by example in strengthening the competitiveness and investor confidence in the capital market.</p> <p>Code of Business Ethics & Whistleblower Policy</p> <p>Guided by the Group’s core values of integrity and reliability, the Board has adopted a Code of Business Ethics to govern the standards of ethical conduct for Directors and employees. The code addresses ethical business practices, conflicts of interest, and anti-corruption measures. To uphold the highest standards of ethical conduct, the Group has implemented a formal Whistleblower Policy. Under this policy, the Board ensures that the identities of employees and third parties making reports are kept strictly confidential, and that whistle-blowers are protected from victimisation or retaliation, provided that reports are made in good faith. For independent and confidential handling of reports, the Group has established a dedicated email account, complaints@lysaghtmarketing.com.my, managed solely by the Senior Independent Director.</p> <p>Anti-Bribery & Corruption Policy</p> <p>The Group has established the Anti-Bribery & Corruption Policy to express its strong stance against any form of bribery and corruption. The policy outlines the key principles that the Group believes in and provides guidance on how to handle situations related to bribery, improper solicitation, and other corrupt activities that may arise in the course of business. The aim of the policy is to ensure that the Group</p>

	<p>operates with integrity and honesty, and that all employees are aware of their responsibilities in maintaining this standard.</p> <p>Conflict of Interest</p> <p>Guidance on COI is set out in the Board Charter, as outlined below:</p> <p>Every Director who may have direct or indirect interest in any contracts or proposed contract or arrangement with the Company shall immediately declare his interest to the Board and shall not participate in deliberations and shall abstain himself from casting his votes in any matter arising there from.</p> <p>Should there be an actual, potential or perceived COI between a Company and a Director, or an associate of a Director such as a spouse, other family member, or a related Company, the Director involved shall make full disclosure and act honestly in the best interest of the Company.</p> <p>An actual, potential or perceived COI shall not necessarily disqualify an individual Director from the Board provided that full disclosure of the interest has been made in bona fide and due honesty.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied
Explanation on application of the practice	:	<p>To uphold the highest standards of ethical conduct, the Group has implemented a formal Whistleblower Policy. Under this policy, the Board ensures that the identities of employees and third parties making reports are kept strictly confidential, and that whistle-blowers are protected from victimisation or retaliation, provided that reports are made in good faith. For independent and confidential handling of reports, the Group has established a dedicated email account, complaints@lysaghtmarketing.com.my, managed solely by the Senior Independent Director.</p> <p>There was no complaint or report received by the Senior Independent Director and the Board on malpractice or wrongdoing involving Directors or employees of the Group for the financial year ended (“FYE”) 31 December 2025.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied
Explanation on application of the practice	:	<p>One of the principal responsibilities of the Board is to review and adopt strategic plan for the Group to ensure that the Board supports long-term value creation and take into account economic, environmental, social as well as governance considerations underpinning sustainability.</p> <p>In this respect, the CEO, through the management meeting, assists the Board in overseeing the formulation, implementation and effective management of the Group's sustainability strategies.</p> <p>To facilitate the sustainability management, our Board also delegates the authority to SRMC to review the adequacy and effectiveness of the risk management process from time to time.</p> <p>The TOR for the SRMC were expanded to include the responsibility of supporting the Board in fulfilling its duties concerning the Group's sustainability strategy. This includes a focus on economic, environmental, and social aspects.</p> <p>CEO also assists to identify and assess the risks as well as to ensure that the risk management process is adequate and effective. All policies and procedures formulated to identify, measure and monitor various risk components are reviewed by the SRMC. Additionally, the SRMC reviews and assesses the adequacy of the risk management policies and ensures that the infrastructure, resources and systems are in-place for implementing the company strategies, business plans, major plans of action and risk management.</p> <p>Accordingly, the Board together with Management accountable for ensuring that sustainability measures are integrated into the strategic direction of the Group and its operations. To achieve this, the Board continuously ensures that there is an effective governance framework for sustainability practices within the Group.</p>

Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.2

The board ensures that the company’s sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied	
Explanation on application of the practice	:	<p>We engage with our stakeholders actively throughout the financial year as part of our sustainability assessment process. Engagement with stakeholders allows us to gain more complete understanding on our materiality issues and matters. Whilst, we are also able to capture the key aspects and impacts of our sustainability journey.</p> <p>Our stakeholders’ engagements are set out in Sustainability Report of the Annual Report 2025. In line with the enhanced Sustainability Reporting Guide 3rd Edition, the performance data table summarises indicators that are pertinent against our Material Matters. This information, available from the ESG Reporting Platform, is also disclosed in the Sustainability Report.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board conducts annual performance assessment on the effectiveness of the Board as a whole, which covers the aspect of the Group’s sustainability governance. The Board viewed that sustainability should be embedded within the culture of the boardroom, whereby each Director should be able to view the organisation and its operations in the context of sustainability.</p> <p>The Company Secretary also updated the Board on the changes of the MMLR of Bursa Malaysia Securities Berhad (“Bursa Securities”) pertaining to sustainability reporting requirements.</p> <p>The Board is committed to staying abreast with sustainability issues associated with the ever-evolving operating environment which are relevant to the Group’s business, to ensure the Board has sufficient understanding and knowledge of sustainability issue.</p> <p>During the financial year, certain Directors attended training programmes and seminars relevant to sustainability matters, as set out below :</p> <p>Chong Chin Look</p> <ul style="list-style-type: none"> • <i>Anti-Bribery and Anti-Corruption</i> • <i>CGS International & ASEAN Malaysia 2025 – ASEAN Business Forum 2025 (From Vision to Reality: ASEAN Partnerships Fuelling Sustainable Growth)</i> <p>Wong Lai Wah</p> <ul style="list-style-type: none"> • <i>Mandatory Accreditation Programme Part I</i> • <i>Mandatory Accreditation Programme Part II: Leading For Impact</i>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	During the annual evaluation of the Board, the NC has evaluated the performance of the Board in addressing the Group's material sustainability risks and opportunities. The details of the Group's key sustainability outcomes and achievements are set out in the Sustainability Report of the Company's Annual Report 2025.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	:	Applied
Explanation on application of the practice	:	<p>The NC is responsible to assist the Board in the development and implementation of the policies on the nomination and appointment of Directors and Committee members to achieve long-term sustainability of the organisation in accordance with the TOR of the NC.</p> <p>In this respect, the Board is mindful that for it to be effective, its composition must include the right group of people, with an appropriate mix of skills, knowledge, experience and independence elements that fit the Group's objectives and strategic goals.</p> <p>In line with the Board Charter, the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. Upon completion of this term, an Independent Director may continue to serve on the Board as a Non-Independent Director. Where the Board intends to retain an Independent Director beyond nine (9) years, the Board will provide justification and seek annual shareholders' approval through a two-tier voting process. Independent Director of more than twelve (12) years must resign or be re-designated as a Non-Independent Director.</p> <p>During the financial year under review, Mr Chong Sai Sin resigned upon the completion of his nine-year tenure as an Independent Non-Executive Director.</p> <p>As of the date of the forthcoming 47th Annual General Meeting ("AGM"), all the current Independent Directors have been in office for not more than nine (9) years.</p> <p>To ensure the appointment and re-election of Director meets the necessary criteria, the Company has established the Directors' Fit and Proper Policy. This policy outlines the approach and standards for the appointment and re-election of Director of the Company and guides the NC and the Board in their evaluation and assessment of Board candidates and Directors eligible for re-election. This ensures that they possess the required character, experience, integrity, competence and time to effectively carry out their duties as director.</p> <p>During the FYE 2025, the Board had appointed Ms Wong Lai Wah as Independent and Non-Executive Director on 1 August 2025. NC had</p>

	gone through a robust assessment and interview to ensure she is suitable and met required skill set. Her diverse background, knowledge, integrity, competency, experience, time commitment and potential contribution to the Group were diligently considered by the NC.	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>In the FYE 2025, the Company has seven (7) Directors, of which three (3) are independent Directors. The Board composition is balanced and compliant with Paragraph 15.02 of the MMLR, which stipulates that at least two (2) or one-third (1/3) of the Board, whichever is higher, must consist of Independent Non-Executive Directors.</p> <p>The Board recognises the importance of independence and objectivity in the decision-making process. Each of the Independent Directors has declared his personal independence to the Board based on the criteria as set out in the MMLR.</p> <p>The Board takes cognisance that the current composition of the Board is not aligned with the desired practice of at least half of the board comprises independent directors and are diligently identifying the right candidates based on the criteria as set out by NC.</p> <p>The temporary lack of at least half of the independent directors in the current composition of the Board does not jeopardise the Board’s decisions as all the decisions are made in the best interest of the Company.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied
Explanation on application of the practice	:	<p>In line with the Board Charter, the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. Upon completion of this term, an Independent Director may continue to serve on the Board as a Non-Independent Director. Where the Board intends to retain an Independent Director beyond nine (9) years, the Board will provide justification and seek annual shareholders' approval through a two-tier voting process. Independent Director of more than twelve (12) years must resign or be re-designated as a Non-Independent Director.</p> <p>During the financial year under review, Mr Chong Sai Sin resigned upon the completion of his nine-year tenure as an Independent Non-Executive Director.</p> <p>As of the date of the forthcoming 47th AGM, all the current Independent Directors have been in office for not more than nine (9) years.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

Application	:	Applied
Explanation on application of the practice	:	<p>In identifying and assessing candidates for appointment to the Board, due consideration is given to a broad range of factors, including skills, knowledge, expertise, experience, background, character, integrity, competence, contribution, and time commitment. These elements are essential to ensure that each Director is able to effectively discharge his or her roles and responsibilities.</p> <p>The Company's Directors' Fit and Proper Policy which was designed with the recommended criteria will also serve as a guide for the review and assessment of potential candidates that are to be appointed to the Board as well as Directors who are seeking for re-election.</p> <p>All Directors are encouraged to declare their time commitments to the Board and to notify the Chairman before accepting any new directorships in other public listed companies. This ensures that such commitments do not interfere with their responsibilities to the Board. The Board believes that all members share equal responsibility for their core duties.</p> <p>The Board is satisfied with the level of time commitment demonstrated by its members in discharging their duties. All Directors hold no more than five (5) directorships in listed issuers in Malaysia, in line with Paragraph 15.06 of the MMLR of Bursa Securities.</p> <p>The Board reaffirms its commitment to fostering a diverse and inclusive workplace across the Group by promoting equal access to opportunities and fair treatment for all individuals. The Group considers all qualified candidates equally, regardless of age, gender, ethnicity, cultural background, or other personal attributes, in matters of recruitment, promotion, remuneration, and professional development. The Board is committed to ensuring a workplace environment that is fair, accessible, flexible, inclusive, and free from all forms of harassment and discrimination.</p>

Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Applied	
Explanation on application of the practice	:	<p>The appointment of new Directors is undertaken by the Board as a whole, following the recommendations of the NC.</p> <p>Although the Board, if appropriate, will rely on recommendations from existing Directors, Management and/or major shareholders, the Board will also take into consideration suitably qualified candidates referred by business associates, advisers, consultants, etc., when considering for potential candidates for appointment to the Board.</p> <p>The Board is mindful of this practice and would consider referrals from external sources to identify suitably qualified candidates when the need arises in the future and will not solely rely on recommendations from existing Board members, Management and/or major shareholders.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board ensures that shareholders are kept informed on any changes in the composition of the Board and Board Committees via announcements on Bursa Link within the prescribed timeline under the MMLR of Bursa Securities.</p> <p>The information on the re-election of the Retiring Directors, along with the Board's statement supporting their re-election and the justifications are set out in the Explanatory Notes to the Notice of the 47th AGM, enabling shareholders to make an informed voting decision on the re-election of the Retiring Directors.</p> <p>The profiles of the Directors are set out in the Board of Directors' Profile of the Company's Annual Report 2025. These include their age, gender, tenure of service, directorships in other companies, working experience and any conflict of interest as well as their shareholdings in the Group, if any.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.8

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied	
Explanation on application of the practice	:	<p>The NC is chaired by Mr Yeoh Sheong Lee, a Senior Independent Director.</p> <p>The profile of Mr Yeoh Sheong Lee is available on the Company's Annual Report 2025.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board currently has two (2) women directors among its seven (7) directors, making up 29% of the Board. This complies with Paragraph 15.02 of the MMLR, which stipulates that there must be at least one (1) woman director on the Board.</p> <p>During the financial year under review, the Board appointed a female Independent Non-Executive Director, increasing the number of women on the Board from one (1) to two (2). This appointment has improved female representation on the Board, bringing it closer to the 30% target.</p> <p>The Board is of the view that, while it is important to promote boardroom diversity in terms of gender, age and ethnicity, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board should remain a priority.</p> <p>The Board opined that given the current state of the Group’s business and lifecycle, it is more important to have the right mix of skills on the Board rather than to attaining the 30% threshold.</p> <p>Nevertheless, the Board supports the initiative to include female representation on the Board to achieve a more gender diversified Board. The Board continues on the lookout for potential women Directors and shall appoint additional women Directors as and when suitable candidates are identified.</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Applied	
Explanation on application of the practice	:	The Group's Diversity Policy is set out in the Board Charter where the Board is committed to provide fair and equal opportunities and nurturing diversity at all levels within the Group, full details of which are available on the Group's website.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: The Board (via the NC) evaluates the effectiveness of the Board as a whole, all committees of the Board and the contribution of each individual Director. This evaluation which is done annually is facilitated by the Company Secretary and conducted using the evaluation forms set out in Bursa Securities's Corporate Governance Guide covering the following aspects: (i) Board and Board Committees <ul style="list-style-type: none">• Board mix and composition• Quality of information and decision making• Boardroom activities• Board's relationship with the management• Environmental, social and governance issues (ii) Individual Directors <ul style="list-style-type: none">• Fit and proper criteria• Contribution and performance• Calibre and personality• Independence (for independent Directors) As for the AC, the annual evaluation is done in two components: (i) The AC as a whole <ul style="list-style-type: none">• Quality and composition• Skills and competencies• Meeting administration and conduct (ii) Self and peer evaluation by the AC members

	<p>The results of the assessment for the FYE 2025 indicated that the overall performance of the Board, the Board Committees, and individual Directors was effective and satisfactory.</p> <p>The outcomes of the Board assessment also formed the basis of the NC's recommendations to the Board on the re-election of Directors retiring at the forthcoming 47th AGM, in accordance with the Directors' Fit and Proper Policy.</p>	
Explanation for departure :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure :		
Timeframe :		

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board, through the RC, ensures that the Group's remuneration levels are commensurate with the skills, experience and responsibilities expected of its Directors and Senior Management, and that such remuneration is structured to be fair, reasonable and competitive in order to attract and retain talent required to lead the Group effectively.</p> <p>The Board, as a whole, determines the remuneration of the Directors and each individual Director is required to abstain from discussing his/her own remuneration. The RC is guided by market norms and industry practices when making recommendations for the compensation and benefits of Directors and Senior Management.</p> <p>The RC's recommended remuneration for Directors and Senior Management is subject to Board's approval as it is the ultimate responsibility of the Board to approve the remuneration of the Directors and Senior Management.</p> <p>In relation to the fees and allowances for Directors, it will be presented at the AGM for shareholders' approval.</p> <p>The details of the Group's remuneration policies and practices are included in the Board Charter available on the Group's website.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company’s desire to attract and retain the right talent in the board and senior management to drive the company’s long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company’s website.

Application	:	Applied	
Explanation on application of the practice	:	The TOR of the RC is available on the Company’s website.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.1

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

Application	:	Applied
Explanation on application of the practice	:	The detailed disclosure of the remuneration packages received by individual Directors of the Company on a named basis for the FYE 2025 – including fees, salaries, allowances, defined contributions, benefits-in-kind and others, is set out in the table below:

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Ee Beng Guan	Non-Executive Non-Independent Director	120.0	15.5	0	0	0	0	135.5	120.0	15.5	0	0	0	0	135.5
2	Chew Meu Jong	Non-Executive Non-Independent Director	84.0	15.5	0	0	0	0	99.5	84.0	15.5	0	0	0	0	99.5
3	Ir. Aik Siaw Kong	Non-Executive Non-Independent Director	84.0	16.0	0	0	0	0	100.0	84.0	16.0	0	0	0	0	100.0
4	Cheam Low Soo	Non-Executive Non-Independent Director	84.0	17.5	0	0	0	0	101.5	84.0	17.5	0	0	0	0	101.5
5	Yeoh Sheong Lee	Independent Director	84.0	23.5	0	0	0	0	107.5	84.0	23.5	0	0	0	0	107.5
6	Chong Chin Look	Independent Director	84.0	21.5	0	0	0	0	105.5	84.0	21.5	0	0	0	0	105.5
7	Wong Lai Wah	Independent Director	35.0	5.0	0	0	0	0	40.0	35.0	5.0	0	0	0	0	40.0
8	Chong Sai Sin	Independent Director	42.0	19.0	0	0	0	0	61.0	42.0	19.0	0	0	0	0	61.0
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The detailed disclosure of the remuneration packages received by CEO of the Company on a named basis for the FYE 2025 – including fees, salaries, allowances, defined contributions, benefits-in-kind and others, is set out in the table below.	
		The Group has not disclosed the remuneration of the top five senior management personnel on a named basis. The Group opined that the disclosure of the remuneration of key management personnel in Note 24 of the Audited Financial Statements for FYE 2025 is adequate as it complies with Paragraph 17 of Malaysian Financial Reporting Standard 124 "Related Party Disclosures". This is also in line with the Group's policy.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Ir. Chuah Tia Bon	Chief Executive Officer	550,001-600,000	Choose an item.	100,001-150,000	0-50,000	100,001-150,000	850,001-900,000
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.3 - Step Up

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.1

The Chairman of the Audit Committee is not the Chairman of the board.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Chairman of the AC, Mr. Yeoh Sheong Lee, is not the Chairman of the Board.</p> <p>Having the positions of the Chairman of the Board and the Chairman of the AC assumed by different individuals allow the Board to objectively review the AC's findings and recommendations. The AC Chairman is also able to provide full commitment and devote adequate time to review all matters under the purview of the AC.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee’s findings and recommendations. The company’s financial statement is a reliable source of information.

Practice 9.2

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied
Explanation on application of the practice	:	<p>The AC has incorporated into its TOR a policy stating that:</p> <p>“Any former partner of the external audit firm of the Company must have observed a cooling off period of at least three (3) years before one is eligible for appointment as members of the Committee.”</p> <p>As a measure to safeguard the independence and objectivity of the audit process, the above policy is designed to avoid potential undue influence the former audit partner may exert over the External Auditors. It does not apply if the External Auditors are from a different audit firm.</p> <p>To-date, the Company has not appointed any former audit partner of the external audit firm of the Group as a Director and a member of the AC.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied
Explanation on application of the practice	:	<p>The AC is responsible for assessing the capabilities and independence of the External Auditors to ensure integrity in reporting and the reliability of audit quality, as well as to recommend the appointment and re-appointment of the External Auditors to the Board.</p> <p>KPMG PLT (“KPMG”) had provided written assurance to the AC, confirming that they are and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the terms of relevant professional and regulatory requirements.</p> <p>Based on the written assurance provided by KPMG, the Board was of the view that the objectivity and independence of the external auditors are not in any way impaired by reason of the non-audit services provided to the Group.</p> <p>The AC had two (2) private session with the KPMG without the presence of any Management to ensure there were no restrictions on their scope of audit. No major concerns were highlighted by the External Auditors during the private session and they had been receiving full co-operation from Management during the course of audit.</p> <p>The AC assessed and evaluated the performance of KPMG for the FYE 2025 and was satisfied with the quality of services, performance, adequacy of resources, suitability, objectivity and independence of KPMG. The AC therefore, recommended the re-appointment of KPMG as External Auditors for the ensuing year to the Board, subject to shareholders' approval at the forthcoming 47th AGM.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	AC comprises solely of Independent Directors.

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company complies with Rule 15.09(1)(c) of the MMLR of Bursa Securities, where all members of the AC have a solid understanding of the Group's operations and are financially literate, enabling them to analyse and interpret financial statements. This ensures they are able to discharge their duties and responsibilities within the AC's purview effectively, including overseeing the financial reporting process, internal control and risk management systems, as well as ensuring compliance with the applicable regulations, rules, directives, and guidelines.</p> <p>Mr Yeoh Sheong Lee, the Chairman of the AC, is a qualified Chartered Accountant and a member of both the Malaysian Institute of Accountants and Certified Practising Accountants Australia. He is the Head of Audit and Advisory Department in the audit firm.</p> <p>The qualification and experience of the respective AC members are disclosed in the Board of Directors' Profile of the Company's Annual Report 2025.</p> <p>The AC assists the Board in reviewing the Group's financial reporting process, ensuring the accuracy of its financial results and scrutinising information for disclosure to ensure reliability and compliance with the applicable financial reporting standards. The AC has unrestricted access to both the Internal Auditors and External Auditors, who report functionally and directly to the AC.</p> <p>The term of office and performance of the AC are subject to the annual review of the NC and the Board is satisfied that the AC members have discharged their functions, duties and responsibilities in accordance with the TOR of the AC during the financial year under review.</p>

	<p>Given the ever-changing financial reporting and corporate landscape, all members of the AC undertake and will continue to pursue continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and regulations as and when required to enable them to effectively discharge their duties.</p> <p>The trainings attended by the AC members during the FYE 2025 are disclosed in the Corporate Governance Overview Statement of the Annual Report 2025.</p>	
Explanation for departure :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure :		
Timeframe :		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company’s objectives is mitigated and managed.

Practice 10.1

The board should establish an effective risk management and internal control framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board discharges its responsibilities in risk governance and oversight through the SRMC, using a structured and integrated risk management and internal control framework.</p> <p>This framework enables Management to identify, evaluate, manage, monitor, and report the Group’s principal business risks to the SRMC and the Board on an ongoing basis. It also ensures that appropriate remedial measures are implemented to address and mitigate risks, recognising that it is not possible to eliminate all risks associated with achieving the Group’s business and corporate objectives.</p> <p>The SRMC assists the Board in overseeing the effectiveness and adequacy of the Group’s risk management and internal control systems.</p> <p>To maintain independence and objectivity, the internal audit function is outsourced to CAS Consulting Services Sdn. Bhd. (“CAS”), an independent professional consulting firm with no relationships or conflicts of interest that could impair its impartiality.</p> <p>CAS reports directly to the AC and provides independent assurance on the adequacy, efficiency, and effectiveness of the Group’s risk management and internal control systems. The internal audit function follows a risk-based audit approach, conducting audits in accordance with the annual internal audit plan.</p> <p>Further details pertaining to the review of the Group’s internal control system and its effectiveness are set out in the Statement on Risk Management and Internal Control (“SORMIC”) of the Company’s Annual Report 2025.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board had formalised a risk management and internal control framework to enable Management to identify, evaluate, control, monitor and report to the Board the principal business risks faced by the Group on an ongoing basis, including remedial measures to be taken to address the risks. The Group's risk management and internal control framework adopts a structured and integrated approach in managing key business risks with the aim of safeguarding the Group's assets and shareholders' interests.</p> <p>The SRMC reviews the adequacy and effectiveness of the risk management and internal control process from time to time, assisted by the CEO to identify and assess risks as well as to ensure that the risk management and internal control process is adequate and effective.</p> <p>Management, led by the CEO and CFO, is responsible for ensuring that the Group's risk management and internal control systems are operating adequately and effectively for the FYE 2025 in all material aspects, based on the framework adopted by the Group.</p> <p>The Board is of the view that the Group's existing internal control and risk management systems are adequate and effective for the FYE 2025 to address the risks which the Group considers relevant and material to its operations. The Board continues to take pertinent measures to sustain and, where required, to continuously improve the Group's risk management and internal control systems in meeting the Group's strategic objectives.</p> <p>The features of the Group's risk management framework and internal control system are set out in the SORMIC of the Annual Report 2025.</p>
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure :		
Timeframe :		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

Application	:	Applied
Explanation on application of the practice	:	<p>The Group has outsourced its internal audit function to CAS, an independent professional consulting firm, to assist the AC in discharging its responsibilities and duties. The internal audit function provides independent, regular, and systematic reviews of the adequacy and effectiveness of the Group's system of internal controls.</p> <p>CAS reports directly to the AC and has affirmed that they are free from any relationships or conflicts of interest with the Group or the Company that could impair their objectivity and independence as Internal Auditors.</p> <p>To ensure that the full responsibilities of internal audit are fully discharged, the AC:</p> <ul style="list-style-type: none">• Reviewed and approved the internal audit plan and scope of work.• Reviewed and discussed with the internal auditors the audit findings and issues arising from their reviews.• Evaluated the adequacy and effectiveness of Management's corrective actions in addressing significant audit issues.• Reviewed and recommended the internal auditors' proposed fees to the Board for approval.• Assessed the competency and adequacy of resources of the internal auditors to ensure effective coverage of key risk areas.• Held meetings with the internal auditors to enable frank and open discussions. <p>Audit results were discussed with Management, and the findings, together with recommendations for improvement, were subsequently presented to the AC for deliberation at its scheduled quarterly meetings.</p> <p>The details of the internal audit function and its summary of activities are elaborated in the AC Report and SORMIC of the Company's Annual Report 2025.</p>
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure :		
Timeframe :		

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Group has outsourced its internal audit function to CAS, an independent professional consulting firm.</p> <p>CAS is supported by a team of four (4) personnel with relevant qualifications and experience in internal auditing. The engagement director of CAS is Mr Kong June Hon, a Chartered Accountant of the Malaysian Institute of Accountants and a Chartered Member of the Institute of Internal Auditors Malaysia.</p> <p>The internal audit of the Group was conducted in accordance with a risk-based audit plan, which was prepared in line with the International Standards for the Professional Practice of Internal Auditing and approved by the AC.</p> <p>CAS reports directly to the AC and has affirmed that they are free from any relationships or conflicts of interest with the Group or the Company that could impair their objectivity and independence as Internal Auditors.</p> <p>The AC carried out its annual assessment of the performance of CAS and was satisfied with its performance for the FYE 2025.</p> <p>The details of the internal audit function and its summary of activities are elaborated in the AC Report and SORMIC of the Company's Annual Report 2025.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied
Explanation on application of the practice	:	<p>The Group is committed to ensuring that its communication with shareholders and other stakeholders is transparent, timely, and of high quality. Recognising that different stakeholder groups have varying levels of interest in the Company, the Board seeks to engage with each group appropriately, providing prompt feedback and consulting stakeholders when making significant decisions. Detailed information on our stakeholder engagement approach and activities during the year is set out on the Sustainability Report.</p> <p>The Board is also committed to ensuring that communications to shareholders and the investing public regarding the Group's business, operations, and financial performance are timely, factual, and disseminated on an equal basis. Although there is no formalised corporate disclosure policy, the Group has procedures in place to comply strictly with all applicable legal and regulatory requirements. Information is communicated via annual reports, circulars/statements to shareholders, quarterly and annual financial statements, and other announcements as necessary.</p> <p>Announcements and information released to Bursa Securities are handled by the CEO and Chairman with the assistance of Company Secretary in accordance with the MMLR requirements and guided by Bursa Securities' Corporate Disclosure Guide. Price-sensitive information is only released after review by the CEO and approved by the Board where necessary.</p> <p>The Company's website provides relevant information to stakeholders and the investing community, including quarterly and annual financial statements, announcements, annual reports, and circulars/statements to shareholders.</p> <p>Shareholders may direct queries or concerns to the Chairman or CEO at the Group's principal office:</p> <p>No. 11, Jalan Majistret U1/26, Seksyen U1 Hicom-Glenmarie Industrial Park 40150 Shah Alam</p>

	<p>Selangor Darul Ehsan Telephone no.: +603-7880 3750 Facsimile no.: +603-7880 3720</p> <p>The Board has designated Mr. Yeoh Sheong Lee, Senior Independent Director, as the contact for shareholders to consult directly on matters that cannot be resolved through normal channels with the Chairman or CEO. He can be reached at the above address.</p> <p>The Company's website www.lysaghtgalvanizedsteelbhd.com, serves as an accessible platform for stakeholders to obtain corporate information. Dedicated sections provide updates on unaudited quarterly financial results, annual financial statements, announcements, annual reports, circulars/statements to shareholders, corporate governance matters, and other business-related information, enabling stakeholders to make informed decisions.</p> <p>The Board is also of the view that the AGM is the principal forum for dialogue and communication with shareholders. Shareholders are encouraged to attend the AGM as it remains an interactive platform for shareholders to engage directly with the Board and gain insights on the Group's performance as well as business activities.</p>	
Explanation for departure		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure		
Timeframe		

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Applied
Explanation on application of the practice	:	<p>The AGM is the principal forum for dialogue and communication with shareholders. Shareholders are encouraged to attend the AGM as it remains an interactive platform for shareholders to engage directly with the Board and gain insights on the Group's performance as well as business activities.</p> <p>The 46th AGM was conducted physically, in compliance with the MMLR which mandate AGMs to be held at a physical venue.</p> <p>The Group appointed Securities Services (Holdings) Sdn. Bhd. as the Poll Administrator and Commercial Quest Sdn. Bhd. as the Independent Scrutineer to oversee and verify the poll voting process.</p> <p>The Notice of the 46th AGM was issued to shareholders on 29 April 2025, more than twenty-eight (28) days prior to the meeting, in compliance with Paragraph 7.15 of the MMLR of Bursa Securities and Practice 13.1 of the MCGG. This allowed shareholders sufficient time to consider the resolutions.</p> <p>The Notice was also made available on the Company's and Bursa Securities' websites. Shareholders who were unable to attend the AGM were entitled to appoint their own proxy(ies) or the Chairman as their proxy to attend and vote on their behalf.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises its stewardship role in the Company and is committed to engaging with shareholders by providing constructive responses to their queries. The Board encourages shareholders' active participation at the Company's AGM and strives to ensure the presence of all Directors, Key Senior Management, and the External Auditors to address shareholders' questions.</p> <p>All Directors, along with the External Auditors, attended the 46th AGM held on 12 June 2025 in person, in compliance with the MMLR to hold AGMs at a physical venue.</p> <p>The forthcoming 47th AGM will be conducted as a physical meeting to facilitate direct engagement and effective communication between the Board, Management, and shareholders.</p> <p>Barring unforeseen circumstances, all Directors, including the Chairs of all mandated Board Committees, will be in attendance to address shareholders' enquiries. The External Auditors will also attend to respond to questions regarding the conduct of the audit and the preparation of the auditor's report.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The 46th AGM held on 12 June 2025 was conducted physically at Lavender Hall, Level 3, Kinta Riverfront Hotel & Suites, Kinta Riverfront, Jalan Lim Bo Seng, 30000 Ipoh, Perak which is easily accessible to the shareholders.</p> <p>The Group appointed Securities Services (Holdings) Sdn. Bhd. as the Poll Administrator and Commercial Quest Sdn. Bhd. as the Independent Scrutineer to oversee and verify the poll voting process.</p> <p>The Notice of the 46th AGM was issued to shareholders on 29 April 2025, more than twenty-eight (28) days prior to the meeting, in compliance with Paragraph 7.15 of the MMLR of Bursa Securities and Practice 13.1 of the MCGG. This allowed shareholders sufficient time to consider the resolutions.</p> <p>The Notice was also made available on the Company's and Bursa Securities' websites. Shareholders who were unable to attend the AGM were entitled to appoint their own proxy(ies) or the Chairman as their proxy to attend and vote on their behalf.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: <p>Members, proxies, and/or corporate representatives were allowed to submit questions to the Board in advance of the 46th AGM via the Company's designated email address. Ample time and opportunity were provided for shareholders, proxies, and/or corporate representatives to raise questions.</p> <p>During the Question and Answer session, the Chairman of the Board, Mr Ee Beng Guan, invited questions from the floor. All questions raised by shareholders and proxies were addressed by the Board with meaningful responses. A summary of the questions and comments, together with the Company's responses, forms part of the minutes of the AGM and is made available on the Company's website.</p> <p>Whilst the AGM is one of the platforms where shareholders can raise issues or seek explanation from the Board or Management, they are free to share their feedback and questions at the "Contact Us" at the Group's website at any time, outside of the AGM.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application :	Not applicable – only physical general meetings were conducted in the financial year
Explanation on application of the practice :	
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The proceedings of the 46 th AGM, including all questions and the corresponding answers, were properly minuted by the Company Secretary. The minutes, detailing key matters and concerns raised by shareholders along with the Company's responses, were published on the Company's website within 30 business days of the conclusion of the AGM.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT
CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

Click or tap here to enter text.

