






# Directors' Profile

## Lim Chern Wooi

Executive Chairman

-  39 years old     Malaysian
-  Male     10 May 2024
-  Board Meeting Attended: 4/4



### Membership(s) of Board Committees of the Company:

- Nil

### Academic/Professional Qualifications:

- Master of Business Administration, RMIT University, Melbourne, Australia
- Bachelor of Applied Science, RMIT University, Melbourne, Australia
- Certified Auditor for multiple international standards, including Quality Management System (ISO 9001:2008), Environmental Management System (ISO 14001:2004), Occupational Health and Safety Management System (OHSAS 18001:2007), International Safety Management (ISM), and International Ship and Port Facility Security (ISPS).

### Present Directorship(s) in other PLCs and non-listed public companies:

- Nil

### Work Experience and Occupation:

Mr Lim Chern Wooi started his career in Yinson Marine Services Sdn. Bhd. as Business Development Executive in June 2008. He was promoted to Chief Executive Officer for Yinson's Offshore Marine Division on 3 January 2014. He oversees the operation and business of Yinson's Offshore Marine Division including Offshore Support Vessels, tugs and barges.

### Family relationship with any Director and/or Major Shareholder of the Company:

- Mr. Lim is the son of Mr. Lim Han Weng, a major shareholder of the Company with indirect interest of 56.67% (as at 31 December 2024) by virtue of Mr. Lim Han Weng's shareholding in Liannex Maritime Sdn. Bhd. through Liannex Corporation (S) Pte. Ltd. pursuant to Section 8 of the Companies Act 2016.

## DIRECTORS' PROFILE

### Membership(s) of Board Committees of the Company:

- Member of the Audit and Risk Management Committee
- Member of the Nomination and Remuneration Committee
- Member of the Employees' Share Scheme Committee

### Academic/Professional Qualifications:

- Bachelor of Arts (Hons) Degree in Accounting and Financial Management, University of Essex, United Kingdom.
- Fellow of the Chartered Institute of Management (FCMA)
- Member Chartered Global Management Accountant (CGMA).

### Present Directorship(s) in other PLCs and non-listed public companies:

- Chief Executive Officer, Ekuiti Nasional Berhad (resigned w.e.f. 31 March 2025)
- Chairman, Orkim Sdn. Bhd.
- Board Member, Al-Ikhsan Sports Sdn. Bhd.
- Board Member, Revenue Valley Sdn. Bhd.
- Board Member, Medispec (M) Sdn. Bhd.






### Work Experience and Occupation:

Dato' Syed Yasir Arafat bin Syed Abd Kadir is the Chief Executive Officer ("CEO") of Ekuiti Nasional Berhad ("Ekuinas") since March 2016. Prior to his current role, he led Ekuinas' investment team as the Managing Partner, Investment since the company's inception in 2009. He is a Board member of Ekuinas and several of Ekuinas portfolio companies.

Before joining Ekuinas, he spent 15 years in investment banking, holding various leadership roles across multiple organizations. He served as Country Manager at ING Wholesale Banking, overseeing both ING Corporate Advisory (Malaysia) Sdn. Bhd. and ING Bank (Labuan) operations in Malaysia. During his nine-year tenure at ING Corporate Advisory, he began as Vice President of Corporate Finance, specializing in mergers and acquisitions, equity and debt fundraising, and financial advisory for leading companies in banking, plantations, automotive, telecommunications, and property. His experience also includes key roles at various financial institutions.

## Dato' Syed Yasir Arafat bin Syed Abd Kadir

### Non-Independent Non-Executive Director






-  53 years old
-  Malaysian
-  Male
-  14 November 2013
-  Board Meeting Attended: 8/9



## DIRECTORS' PROFILE

# Farina binti Farikhullah Khan

Independent Non-Executive Director

-  53 years old     Malaysian
-  Female     18 May 2016
-  Board Meeting Attended: 8/9



## Membership(s) of Board Committees of the Company:

- Chairperson of the Audit and Risk Management Committee (w.e.f 30 May 2024)

## Academic/Professional Qualifications:

- Bachelor of Commerce (Accounting), University of New South Wales, Australia
- Fellow of the Institute of Chartered Accountants, Australia and New Zealand
- Advanced Management Program, Harvard Business School, United States of America

## Present Directorship(s) in other PLCs and non-listed public companies:

### Public-listed Companies

- AMMB Holdings Berhad
- PETRONAS Gas Berhad
- KLCC Property Holdings Berhad

### Non-listed Public Company

- AmBank Islamic Berhad

### Foreign Company

- EnQuest Plc

## Work Experience and Occupation:

Farina binti Farikhullah Khan has 30 years of working experience, predominantly in oil and gas industry. She started out her career in 1994 with Coopers & Lybrand, Australia in the Business Services unit whereby she provided assistance and advisory services on accounting, audit, tax requirements and business services for three years. In 1997, she returned to Malaysia to join Petroliaam Nasional Berhad ("PETRONAS") in the Corporate Planning and Development Division where she started as an executive and in the ensuing years until 2005, she held various positions including Senior Manager (Strategy and Portfolio) in Group Strategic Planning of PETRONAS.

She subsequently assumed the position of the Chief Financial Officer ("CFO") of PETRONAS Carigali Sdn. Bhd. ("PCSB"), one of the largest subsidiaries of PETRONAS with operations in over 20 countries, from 2006 to 2010. She then served as the CFO at PETRONAS Exploration and Production Business, the largest arm of PETRONAS Business, from mid-2010 until end of 2013, where the business included both PETRONAS Group of Companies as well as the Petroleum Management Unit of PETRONAS.

Prior to leaving PETRONAS Group at the end of 2015 to pursue her other interests, she was the CFO of PETRONAS Chemical Group Berhad, the largest listed entity of PETRONAS, for two years.

Currently, she is the Senior Independent Non-Executive Director of Petronas Gas Berhad as well as an Independent Non-Executive Director of AMMB Holdings Berhad and KLCC Property Holdings Berhad, the public listed companies on the Main Market of Bursa Malaysia Securities Berhad

She is also the Senior Independent Director of EnQuest Plc, a foreign company listed on the London Stock Exchange.

She also serves as an Independent Non-Executive Director of AmBank Islamic Berhad, a wholly owned subsidiary of AMMB Holdings Berhad as well as KLCC REIT Management Sdn. Bhd., the Manager of KLCC Real Estate Investment Trust.



## DIRECTORS' PROFILE

### Membership(s) of Board Committees of the Company:

- Chairman of the Nomination and Remuneration Committee (w.e.f. 30 May 2024)
- Chairman of the Employees' Share Scheme Committee

### Academic/Professional Qualifications:

- Diploma in Legal Practice, Australian National University, Canberra, Australia
- Degree in L.L.B, Australian National University, Canberra, Australia
- Admitted as Solicitor, High Court of Australia
- Admitted as a Barrister and Solicitor, Supreme Court of the Australian Capital Territory
- Admitted as Advocate and Solicitor, High Court of Malaya

### Present Directorship(s) in other PLCs and non-listed public companies:

- MMC Corporation Berhad
- UOB Asset Management (Malaysia) Berhad
- Awanbiru Technology Berhad

### Work Experience and Occupation:

Having practised law for more than 26 years, Dato' Syed Naqiz Shahabuddin Bin Syed Abdul Jabbar ("Dato' Syed Naqiz") has acquired in-depth knowledge not only on legal intricacies but has also gained a solid knowledge-base on various industries ranging from finance, capital markets, venture capital, power, property, construction, automotive, defence, technology, telecommunications, hospitality, retail, manufacturing, FMCG and logistics. He has represented and acted against some of the largest multinational companies, public listed companies, governmental and regulatory bodies as well as government-linked companies. Over the years, Dato' Syed Naqiz and the law firm Naqiz & Partners have been ranked as a leading law firm and leading lawyer in Technology, Media, Data, Intellectual Property, Corporate and Projects.

Dato' Syed Naqiz sits on several boards of companies which are involved in various industries including as Chairman of Awan Biru Technology Berhad and as a Director of MMC Corporation Berhad, UOB Asset Management (Malaysia) Berhad and TH Properties Sdn. Bhd. Dato' Syed Naqiz also previously served as a Commission Member of the Malaysian Communications and Multimedia Commission, a Board member of Yayasan DRB-Hicom, a Board member of Penjana Kapital Sdn. Bhd. and the Kuala Lumpur Business Club (KLBC). On these Boards, Dato' Syed Naqiz played and continues to play an important role on legal and governance issues. His broad industry experience and knowledge also enables him to add value during discussions surrounding risk and strategy, sustainability and trends.

Dato' Syed Naqiz owns and is actively involved in various entrepreneurial pursuits including retail and technology. This keen interest also led him to jointly form a retail association in 2013, known as the Bumiputera Retailers Organisation (BRO) to act as the voice of Bumiputera retailers and wholesalers, where he currently serves as the President.

# Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar

Independent Non-Executive Director

 53 years old  Malaysian

 Male  10 May 2024






 Board Meeting Attended: 4/4



## DIRECTORS' PROFILE

# Ainul Azhar bin Ainul Jamal

Independent Non-Executive Director

-  65 years old     Malaysian
-  Male     25 July 2024
-  Board Meeting Attended: 3/3



## Membership(s) of Board Committees of the Company:

- Member of the Nomination and Remuneration Committee (w.e.f 7 March 2025)

## Academic/Professional Qualifications:

- Bachelor of Electrical Engineering, University of Sussex, United Kingdom

## Present Directorship(s) in other PLCs and non-listed public companies:

- Deleum Berhad
- Sarawak Energy Berhad

## Work Experience and Occupation:

Encik Ainul Azhar Bin Ainul Jamal ("En. Ainul Azhar") worked with the Public Works Department as the lead engineer responsible for radar installations at the Malaysian Armed Force military camps upon completing his education in United Kingdom in 1983.

He began his career as a field engineer in Schlumberger in 1984. Over the course of his 32-year stint with the company, he served in various technical and managerial roles in Indonesia, France and Canada.

En. Ainul Azhar also held various senior management positions in Schlumberger, including Corporate Communications Director of Schlumberger Ltd in London, as well as Director of Human Resource for Schlumberger WesternGeco and Reservoir Management Group.

Between 2010 and 2013, En. Ainul Azhar served as Schlumberger Asia Pacific Chairman and later assumed his last position as Chairman and Director of Schlumberger Malaysia.

In May 2018, En. Ainul Azhar was appointed to the Board of Directors ("Board") of Petroliaam Nasional Berhad ("Petronas") where he served as an Independent Non-Executive Director, Chairman of Audit Committee and member of Nomination and Remuneration Committee. He retired from the Board of Petronas in April 2023.

## DIRECTORS' PROFILE

### Membership(s) of Board Committees of the Company:

- Member of the Audit and Risk Management Committee (w.e.f 24 February 2025)

### Academic/Professional Qualifications:

- Master Mariner

### Present Directorship(s) in other PLCs and non-listed public companies:

- Nil



### Work Experience and Occupation:

Adarash Kumar A/L Chranji Lal Amarnath ("Capt. Kumar") is a Qualified Master Mariner and has more than forty (40) years of experience in the marine industry.

He has previously served as the Assistant General Manager for Bumi Armada Navigation Sdn. Bhd., an offshore support services provider based in Malaysia; Group Chief Operating Officer of Ezra Holding; and Chief Executive Officer and Executive Director of Emas Offshore Ltd. His last position prior to joining the LFG Board of Directors was Business Development & Commercial Officer for EO Offshore Services Singapore Pte. Ltd. & EO Offshore Services (M) Sdn. Bhd.

# Captain Adarash Kumar A/L Chranji Lal Amarnath

Independent Non-Executive Director

 65 years old  Malaysian

 Male  2 January 2025

 Board Meeting Attended: N/A



#### Notes:

- (a) Family relationship with any Director and/or Major Shareholder of the Company:  
Mr. Lim Chern Wooi is the son of Mr. Lim Han Weng, a major shareholder of the Company with indirect interest of 56.67% (as at 31 December 2024) by virtue of Mr. Lim Han Weng's shareholding in Liannex Maritime Sdn. Bhd. through Liannex Corporation (S) Pte. Ltd. pursuant to Section 8 of the Companies Act 2016.
- (b) Save as disclosed above, none of the Directors has:-
- any family relationship with any Directors and/or major shareholders of the Company;
  - any conflict of interests with the Company;
  - any conviction for offences (other than traffic offences) within the past five (5) years; and
  - any public sanction or penalty imposed by the relevant regulatory bodies during the financial year under review.



# Senior Management Team

**David Then Hai Pin**  
Head of Commercial & Chartering

**Selan Francis**  
Senior Manager, Technical

**Ng Yng Yng**  
Chief Financial Officer





**Mohd Farid Bin Rahmat**

Head of Human Capital & Administration

**Lim Chern Wooi**

Executive Chairman

**Capt. Mazzrizal Bin Ab Wahab**

Head of Operations





# Senior Management Team



**Lim Chern Wooi**

Executive Chairman

39 years old Male Malaysian

## Date Appointed to Company:

10 May 2024

## Academic/Professional Qualifications:

- Master of Business Administration, RMIT University, Melbourne, Australia
- Bachelor of Applied Science, RMIT University, Melbourne, Australia

## Work Experience and Occupation:

- Mr Lim Chern Wooi started his career in Yinson Marine Services Sdn. Bhd. as Business Development Executive in June 2008. He was promoted to Chief Executive Officer for Yinson's Offshore Marine Division on 3 January 2014. He oversees the operation and business of Yinson's Offshore Marine Division including Offshore Support Vessels, tugs and barges.

## Present Directorship(s) in other PLCs and non-listed public companies:

- Nil

## Family relationship with any Director and/or Major Shareholder of the Company:

- Mr. Lim is the son of Mr. Lim Han Weng, a major shareholder of the Company with indirect interest of 56.67% (as at 31 December 2024) by virtue of Mr. Lim Han Weng's shareholding in Liannex Maritime Sdn. Bhd. through Liannex Corporation (S) Pte. Ltd. pursuant to Section 8 of the Companies Act 2016.



**Capt. Mazzrizal Bin Ab Wahab**

Head of Operations

45 years old Male Malaysian

## Date Appointed to Company:

1 July 2024

## Academic/Professional Qualifications:

- Combined Class Mate and Master Unlimited Voyages

## Work Experience and Occupation:

- He started sailing onboard Tankers since 2003 as Officer until Chief Officer, before joining OSV as Master in Singapore and Indonesia.
- He joined FSO Ventures onboard one of their FSO operations in Terengganu, managed FSO day-to-day operations as well as OSV attached to assist FSO.
- He later joined Talisman Energy as Client Representative in 2010, spearheaded FSO and Marine operations offshore and managed tanker offloading operations.
- He was seconded to MPM in 2015 and led nationwide analysis and consolidation of vessel demand where he developed and executed the MPM ILCT Manual as well as marine vessel technical requirements and setting the industry benchmarks. He was also part of the MPM Technical Expert Group providing industry insights.
- He returned to Repsol Oil & Gas Malaysia Limited in 2017 and later joined Hibiscus Oil & Gas Malaysia Limited as Marine Superintendent (SME) where he directed all marine operations, tendering, and inspection. He represented Repsol & Hibiscus as Marine Expert representative in Petronas MPM.

## Present Directorship(s) in other PLCs and non-listed public companies:

- Nil

## SENIOR MANAGEMENT TEAM



**Ng Yng Yng**  
Chief Financial Officer

36 years old Female Malaysian

### Date Appointed to Company:

3 April 2025

### Academic/Professional Qualifications:

- Fellow CPA Australia (FCPA)
- Member, Malaysian Institute of Accountants (MIA)
- Chartered Member, Institute of Internal Auditors Malaysia (CMIIA)
- Member, Project Management Institute (PMI)
- Bachelor of Commerce in Accounting and International Commerce, Monash University, Clayton Campus, Australia

### Work Experience and Occupation:

- Ms. Ng Yng Yng ("Ms. Ng") is a finance professional with over 14 years of experience.
- She brings with her wealth of experience, expertise and great values of corporate finance, business advisory and transformation to this role from her previous appointments as follows:
  - The Chief Operating Officer and Chief Transformation Officer for Servay Evergreen Group of Companies from February 2020 till March 2025. Led enterprise wide transformation initiatives, including finance digitisation and operational integration across multiple business units.
  - The Project Controller for EG Development (Sabah) Sdn. Bhd. from August 2023 till March 2025. Oversaw project financials for mixed use developments, delivering cost controls and performance reporting frameworks.
  - The Senior Manager, Assurance for PricewaterhouseCoopers PLT from March 2011 till January 2020. Managed audit engagements for public listed and multinational clients, specialising in financial reporting and internal controls.

### Present Directorship(s) in other PLCs and non-listed public companies:

- Nil



**David Then Hai Pin**  
Head of Commercial & Chartering

44 years old Male Malaysian

### Date Appointed to Company:

1 February 2025

### Academic/Professional Qualifications:

- Bachelor of Engineering in Electronics and Control System Engineering (With Honours,) Liverpool John Moores University

### Work Experience and Occupation:

- He is an accomplished professional with over 20 years of experience in the Marine and Oil & Gas industries, specializing in strategic planning, vessel chartering, commercial management, and special project execution.
- His career development began in June 2016 with Regulus Offshore Sdn. Bhd. as its Technical Superintendent and later promoted as its Commercial & Technical Manager in July 2018.
- He demonstrated expertise in vessel operations, technical support and dry docking, with a strong track record in budget control, cost optimization, maximizing asset utilization and with proven ability to maintain high operational uptime and efficiency, even in challenging market conditions.

### Present Directorship(s) in other PLCs and non-listed public companies:

- Nil



## SENIOR MANAGEMENT TEAM



**Mohd Farid Bin Rahmat**  
Head of Human Capital & Administration

52 years old Male Malaysian

### Date Appointed to Company:

2 September 2024

### Academic/Professional Qualifications:

- Professional Certification in HR, Australia Human Resources Institute
- B.A (Hons) Human Sciences (Communication,) International Islamic University Malaysia

### Work Experience and Occupation:

- He is a professional HR practitioner with over 26 years of working experience, with majority exposures on HR domain in addition to minor exposures on Corporate Communications, Safety & Health and Sustainability.
- He has an extensive exposure and experience in applying his HR expertise and competencies in various unionized and non-unionized industries i.e. manufacturing of electrical products for consumers; assemblies, sales and services of heavy equipment for infrastructure development, logging, plantation, mining, marine and oil & gas industries; banking and/or financial institution services; as well as manufacturing, sales and services of commercial explosives for quarry, mining and infrastructure development.
- He is a Subject Matter Expert in Employee & Industrial Relations, highly proficient in Operational HR, proficient in Strategic HR domains and with extended exposures as Designated Compliance Officer for HR, Authorities' Liaison Officer, and currently a Designated Data Privacy Officer.

### Present Directorship(s) in other PLCs and non-listed public companies:

- Nil



**Selan Francis**  
Senior Manager, Technical

41 years old Male Malaysian

### Date Appointed to Company:

1 February 2025

### Academic/Professional Qualifications:

- 1st Class Marine Chief Engineer Officer Certificate with 3000kW or more Unlimited Trade Voyages, Malaysian Maritime Academic
- Diploma in Marine Engineering, Ungku Omar Premier Polytechnic, Malaysia

### Work Experience and Occupation:

- He is a professional technical expert with over 18 years of experience.
- He brings with him vast management and technical expertise in the following areas
  - Offshore vessel and seismic operation as well as seismic vessel operation monitoring;
  - Maintenance and operation of all engineering and electrical equipment onboard the vessels;
  - Anchor handling and towing and DP2 ROV support vessel; and
  - Safety & Health, Inventories and Crew Management from his previous appointments as
  - Marine Technical Advisor, BGP Offshore from 2022 till June 2024.
  - Technical Superintendent, Emas Offshore Services from 2018 till 2022
  - Marine Chief Engineer, Bumi Armada / Intra Oil & Bahtera Sri Kandi @ Bourbon from 2016 till 2018.
- He developed his professional technical career starting with as Marine Engineer with Hellas Marine & Malaysian Bulk Carrier in 2006 and rose in ranks with Tanjung Kapal, Bumi Armada and Emas Offshore Services from 2007 till 2015.
- He is appointed as the Senior Manager, Technical of Regulus Offshore Sdn. Bhd. on 18 June 2024.

### Present Directorship(s) in other PLCs and non-listed public companies:

- Nil

Save as disclosed above, none of the Senior Management has:-

- any family relationship with any Directors and/or major shareholders of the Company;
- any conflict of interests with the Company;
- any conviction for offences (other than traffic offences) within the past five (5) years; and
- any public sanction or penalty imposed by the relevant regulatory bodies during the financial year under review.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors ("**Board**") of Lianson Fleet Group Berhad (formerly known as Icon Offshore Berhad) ("**LFG**" or "**Company**") is pleased to present the following report of the Audit and Risk Management Committee ("**ARMC**") for the financial year ended 31 December 2024 ("**FY2024**") ("**ARMC Report**" or "**Report**").

## MEMBERSHIP AND MEETING

The ARMC consists of all Non-Executive Directors, with a majority being Independent Non-Executive Directors, including the Chairperson. The Chairperson of the ARMC, Puan Farina binti Farikhullah Khan, is a Chartered Accountant and a Fellow of the Institute of Chartered Accountants, Australia and New Zealand. Accordingly, the composition of the ARMC complies with the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**").

The ARMC meetings are convened in an orderly manner and structured according to agenda items. Management strives to circulate the minutes of the previous ARMC meetings and ARMC papers at least three (3) working days prior to the meeting. The ARMC Chairperson updates the Board on principal matters and key issues discussed at the ARMC meetings for further discussion, deliberation, and approval.

During FY2024, a total of six (6) ARMC meetings were held, and the respective members' attendance is shown in the following table:

Name of ARMC Member	No. of Meetings Attended/Held	Percentage of Attendance (%)
<b>Datuk Wira Azhar bin Abdul Hamid (Chairman)</b> Senior Independent Non-Executive Director (ceased on 30 May 2024)	3/3	100
<b>Farina binti Farikhullah Khan (Chairperson)</b> Independent Non-Executive Director (redesignated on 30 May 2024)	5/6	83
<b>Dato' Syed Yasir Arafat bin Syed Abd Kadir (Member)</b> Non-Independent Non-Executive Director	5/6	83
<b>Captain Adarash Kumar A/L Chranji Lal Amarnath (Member)</b> Independent Non-Executive Director (appointed on 24 February 2025)	N/A	N/A
<b>Datuk Abdullah bin Karim (Member)</b> Independent Non-Executive Director (ceased on 16 December 2024)	6/6	100



## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

### MEMBERSHIP AND MEETING (cont.)

The Executive Chairman, former Managing Director, Chief Financial Officer, and Head of Finance and Corporate Strategy attended each ARMC meeting to brief the ARMC on the reports and specific issues. The representatives of the External Auditors and the Internal Auditors are also invited to participate in the ARMC meetings and present reports as and when required.

The ARMC had the following private discussions with the External and Internal Auditors, without the presence of Management, Executive Chairman, and former Managing Director:

- (a) External Auditors, PricewaterhouseCoopers PLT on 28 November 2024 and 27 February 2025; and
- (b) Internal Auditors, Deloitte Business Advisory Sdn. Bhd. on 29 August 2024.

### ROLES AND RESPONSIBILITIES OF THE ARMC

The ARMC is responsible for assisting the Board in fulfilling its statutory and fiduciary responsibilities which include, but are not limited to the following:

- a) To oversee the integrity of financial statements, quarterly announcements and annual audited financial statements, significant financial reporting issues and judgements, accounting and financial reporting processes, and policies and procedures;
- b) To oversee the corporate governance, risk management, and internal control arrangements;
- c) To oversee the compliance with legal, regulatory and reporting requirements;
- d) To oversee the External Auditors' scope of work, audit plan, audit fee, and to review and assess performance and independence of External Auditors;
- e) To oversee the internal audit function mainly on adequacy of the scope of internal control and governance review, competency of resources and to review and assess the effectiveness of the internal audit function;
- f) To review the related party transactions, conflict of interest situations that arose, persist or may arise within the Group and measures taken to resolve, eliminate or mitigate such conflicts; and
- g) To oversee the progress of initiatives and reporting disclosure format of Environmental, Social, and Governance ("**ESG**").

The roles and responsibilities of the ARMC are set out in written Terms of Reference. These are reviewed periodically by the ARMC taking into consideration relevant legislation and recommended practices. The detailed Terms of Reference of the ARMC is available on the Company's website at [www.lianson.com](http://www.lianson.com).

### SUMMARY OF ACTIVITIES OF THE ARMC

During FY2024 and up to the date of approval of the Report, the ARMC had carried out the following works in discharging its duties:

#### A. Financial Reporting

- i) Reviewed the quarterly unaudited and annual audited financial statements, and the explanatory notes thereon to ensure compliance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016; and
- ii) Reviewed the significant matters highlighted by the External Auditors.

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

### SUMMARY OF ACTIVITIES OF THE ARMC (cont.)

#### B. Corporate Governance, Internal Control Arrangements and Compliance

Reviewed the Corporate Governance Overview Statement, Corporate Governance Report, ARMC Report, Statement on Risk Management and Internal Control, and Statement of Directors' Responsibility for insertion into the Annual Report.

#### C. Risk Management

Reviewed the quarterly business risk assessment and risk management reports. This is to identify and manage key business risks, as well as to monitor the status of the mitigating measures.

#### D. External Auditors

- i) Reviewed and approved the audit plan of the External Auditors, including their scope of work for the financial year; and
- ii) Reviewed the performance and independence of the External Auditors and considered the change or re-appointment, as well as the fees of the External Auditors before recommending to the Board for approval.

#### E. Internal Auditors

- i) Reviewed and approved the audit plan of the Internal Auditors, including their scope of work for the financial year;
- ii) Assessed the effectiveness of the internal audit function; and
- iii) Reviewed and deliberated on the audit reports, issues, and recommendations from the Internal Auditors in relation to the audit conducted during the financial year.

#### F. Related Party Transactions

- i) Reviewed the related party transactions to be entered into by the Company and the Group to ensure such transactions were conducted in accordance with the Company's policies and procedures on related party transactions, and proper disclosure was made in accordance with the MMLR of Bursa Malaysia Securities; and
- ii) Reviewed and deliberated any conflict of interest or potential conflict of interest situation that arose, persists or may arise within the Group.

#### G. ESG

Reviewed the progress initiatives and reporting disclosure format of ESG before recommending to the Board for approval.

### INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to an advisory firm, Deloitte Business Advisory Sdn. Bhd. ("Deloitte"). The internal audit function reports directly to the ARMC and is guided by the Internal Audit Charter. Its principal role is to undertake independent, regular and systematic review and appraisal of the Group's risk management, control and governance processes designed and represented by Management to determine whether they are adequate, functioning appropriately and forming a robust internal control.

During the financial year and up to the date of approval of the Report, Deloitte had carried out three (3) risk-based operational audit reviews in accordance with the approved annual internal audit plan, namely:

- Fleet Human Capital;
- Business Ventures; and
- ESG.



## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

### INTERNAL AUDIT FUNCTION (cont.)

The corresponding reports of the internal audit reviews were presented to the ARMC in November 2024 and February 2025, respectively, and forwarded to Management for their attention and actions. Management is responsible for ensuring the action plans are taken within the required timeframe.

Deloitte also performed follow-up reviews on previous internal audits to monitor the progress towards implementing these actions. The results of the follow-up audit were presented to the ARMC in the subsequent quarterly ARMC meetings until the audit findings were closed.

Deloitte is proposing to undertake three (3) risk-based operational audit reviews, as below:

- Fleet Operations;
- General Information Technology Controls; and
- ESG.

For FY2024, the total cost incurred for the internal audit function was RM130,000.

This Report has been approved by the Board of LFG on 28 April 2025.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("**Board**") of Lianson Fleet Group Berhad (formerly known as Icon Offshore Berhad) ("**LFG**" or "**Company**") firmly believes that good corporate governance framework and practices are fundamental for the Company not only in attracting capital, creating shareholders' value, and safeguarding other stakeholders' interest but also in building a resilient and sustainable business that could survive and thrive amidst future challenges.

Following the revised Malaysian Code on Corporate Governance ("**MCCG 2021**") which was issued by the Securities Commission Malaysia on 28 April 2021, the Board and Management will continue to enhance good governance practices in strategies and innovations and strive to operate responsibly to achieve short, medium, and long-term objectives with conscious consideration on the impact to stakeholders. This Corporate Governance Overview Statement ("**CG Overview Statement**") sets out the Company's corporate governance processes and practices applied during the financial year ended 31 December 2024 ("**FYE 2024**"), in compliance with Paragraph 15.25 (1) of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**") Main Market Listing Requirements ("**MMLR**") and guided by the principles and recommendations as set out in the MCCG 2021 along with the Companies Act 2016 ("**CA 2016**") and Corporate Governance Guide (4th Edition) issued by Bursa Malaysia Berhad. This CG Overview Statement is to be read in conjunction with the Corporate Governance Report ("**CG Report**") of the Company which is available on the Company's website at [www.lianson.com](http://www.lianson.com).

The CG Report provides details on how the Company has generally applied the practices under MCCG 2021 as well as the departures and alternative measures in place within the Company during the financial year under review and demonstrates the commitment of the Board and Management of the Company in applying and embracing the high standards of corporate governance in the organisation. The CG Report and the CG Overview Statement had been approved by the Board of LFG on 28 April 2025.

This overview takes guidance from the three (3) principles of the code for MCCG 2021 as follows:

- Principle A: Board leadership and effectiveness;
- Principle B: Effective audit and risk management; and
- Principle C: Integrity in corporate reporting and meaningful relationship with stakeholders.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

#### I. BOARD ROLES AND RESPONSIBILITIES

##### Board's Role

LFG and its subsidiaries ("Group") continue to be led by an experienced and dynamic Board. It has a diversified and balanced composition with effective independent directors. The Board plays a pivotal role in the stewardship of the Group and ultimately enhancing shareholders' value. To fulfill this role, the Board assumes the duties and responsibilities as set out in the Board Charter.

The Board is tasked to lead and manage the Company in an effective and responsible manner. The Board's role is to oversee and provide stewardship to the Company's strategic direction to maximise shareholders' value while Management manages the day-to-day operations of LFG in accordance with the direction and delegation of the Board. There is a clear division of functions between the Board and Management to ensure that no single individual or group dominates the decision-making process.

In performing its role, the Board shall at all times act in the best interest of the Group and shareholders, as well as its employees, customers and the community with its overriding responsibility to act honestly and fairly in creating and building sustainable value in the Company for shareholders.

The Board exercises due diligence and care in discharging their duties and responsibilities to ensure that high ethical standards are applied through compliance with the relevant rules and regulations such as Bursa Malaysia Securities MMLR, CA 2016, directives, practice notes and guidelines in addition to applying the principles and practices of the MCCG 2021.

##### Board Committees

The Board has established the following committees ("**Board Committees**"), namely:-

- (i) Audit and Risk Management Committee ("**ARMC**");
- (ii) Nomination and Remuneration Committee ("**NRC**");
- (iii) Executive Committee ("**EXCO**") (*dissolved on 23 May 2024*); and
- (iv) Employees' Share Scheme Committee ("**ESSC**").

all of which operate within their own terms of reference ("TOR"). The Board Committees are established to assist the Board in exercising its authority. They will assist the Board by focusing on relevant activities in accordance with the relevant approved TOR thus managing different aspects of the Group's governance and compliance. The Board Committees report to the Board on its decisions, actions taken or make the necessary recommendation to the Board in line with its approved TOR. However, the EXCO was dissolved in May 2024.

The Board is kept apprised of the activities of the Board Committees through report of the proceedings of the Board Committees. This is clearly identified as an agenda item in the notice of the Board meeting. The outcomes and key deliberation points are reported to the Board by the respective Board Committees' chairman during the Board meetings and recorded in the minutes of the Board meeting. The TOR for each Board Committee is available for reference on the Company's website at [www.lianson.com](http://www.lianson.com).



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont.)

#### I. BOARD ROLES AND RESPONSIBILITIES (cont.)

##### Separation of Chairman and Managing Director (“MD”)

Before the retirement of the former Chairman, Dato’ Abdul Mutalib bin Alias (“**Dato’ Mutalib**”), he played an instrumental role in providing the Company with strong leadership and vision, leading the Board in its review of the Group’s strategies for sustainable growth. As the Board Chairman, he also promoted and led the Group in its commitment to achieving and maintaining high standards of corporate governance. Following his retirement, Mr. Lim Chern Wooi was redesignated as the Executive Chairman / Executive Director, succeeding Dato’ Mutalib on 30 May 2024.

Dato’ Sri Hadian bin Hashim (“**Dato’ Sri Hadian**”) as the MD, is accountable to the Board for the achievement of the Group’s mission, vision, and objectives. The MD has the executive responsibility for the day-to-day operations of the Company and shall implement the policies, strategies, and decisions adopted by the Board. However, following his resignation on 13 December 2024, Mr. Lim Chern Wooi temporarily assumed the duties of MD, and this interim arrangement ensures continuity and stability in leadership while the Board undertakes a diligent process to identify and appoint a suitable candidate for the role of MD.

The Board is mindful of corporate governance best practices recommended by Bursa Malaysia Securities and is committed to reinstating the separation of these two key roles as soon as practically possible. The Board will promptly announce updates regarding the appointment of a suitable candidate for the MD role in due course.

The Board is also of the view that the Chairman of the Board should not be involved in any Board Committees to ensure checks and balances, as well as objectivity, will not be impaired/influenced by the Chairman of the Board who is also sitting on Board Committee(s). Therefore, our Chairman of the Board is not a member of any Board Committees since listing.

##### Company Secretaries

The Board is supported by two (2) suitably qualified and competent Company Secretaries who play a vital role in advising the Board in relation to the Company’s Constitution, the Board’s policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislation. They constantly keep themselves abreast of the evolving capital market environment, regulatory changes, and developments in corporate governance by attending the relevant training programmes/conferences.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont.)

#### I. BOARD ROLES AND RESPONSIBILITIES (cont.)

##### Access to Information

The Directors have timely, full, and unrestricted access to all information pertaining to the Group's business affairs, whether as a full Board or in their individual capacity, to enable them to discharge their duties effectively. The Board is expected to meet at least four (4) times for each financial year, with additional meetings to be convened when necessary to review financial, operational, and business performances. Board meetings for each financial year are normally scheduled before the end of the preceding financial year and are to be confirmed before the financial year end.

##### Board Meeting

The Board meetings are chaired by the Chairman. The Chairman leads the Board effectively and encourages contributions from all members to ensure a balance of power and authority.

Prior to every Board meeting, Management strives to furnish the agenda items and a set of meeting papers electronically within five (5) to seven (7) business days before the Board meeting for Directors to study and evaluate in advance the matters to be discussed. The minutes of the Board meeting and Board Committees meetings are prepared on time and included in the Board papers for better discussion and transparency.

Throughout the year 2024, Board papers were circulated to the Board members in advance via the Convene platform and this remains an ongoing priority to facilitate informed decision-making. Senior Management is requested to attend Board meetings to present and provide additional information on matters being discussed and to respond to any queries that the Directors may have. All proceedings of the Board and the Board Committees are minuted and signed by the respective Chairmen of the meetings.

##### Board Charter

LFG has in place a Board Charter which serves as a reference point for Board activities and promotes high standards of corporate governance. It is designed to provide guidance and clarity for Directors and Management about the role of the Board and Board Committees, the requirements of the Directors in carrying out their stewardship role and in discharging their duties towards the Company as well as the Board's operating practices including matters reserved for the Board.

The Board reviews its Board Charter periodically to keep abreast of the new changes in regulations and best practices. The Board Charter is updated in accordance with the requirements of the Group and any new regulations that may have an impact on the discharge of the Board's responsibilities. The Board Charter is accessible on the Company's website at [www.lianson.com](http://www.lianson.com).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont.)

#### I. BOARD ROLES AND RESPONSIBILITIES (cont.)

##### Formalised Ethical Standards

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

In line with the overriding responsibility to act honestly, fairly and with integrity, the Directors have put in place the following ethical standards and a brief description of these ethical standards is provided in the CG Report:

- (i) Directors' Code of Ethics;
- (ii) Employees' Code of Ethics;
- (iii) Service Provider Code of Conduct;
- (iv) Anti-Fraud and Whistleblowing Policy; and
- (v) Anti-Bribery and Corruption Policy ("**ABAC Policy**").

The Directors' Code of Ethics, Employees' Code of Ethics, ABAC Policy, Service Provider Code of Conduct, and Anti-Fraud and Whistleblowing Policy can be found on the Company's website at [www.lianson.com](http://www.lianson.com).

##### Sustainability

LFG acknowledges the importance of sustainability relating to environmental, social and governance ("**ESG**") including their risks and opportunities to/for our Group. Aside from the above policies, the Company has also implemented the LFG Quality, Health, Safety, Security and Environment ("**QHSSE**") Policies and Icon Ship Management Sdn. Bhd.'s Health, Safety, Security and Environment ("**HSSE**") Policies with the objective of providing safe practices for ship operations and a safe working environment, continuously improve the safety management skills of personnel ashore and onboard ship, including preparing for emergencies related to both safety and environmental protection, establish safeguards against all identified risks, compliance with mandatory rules and regulations and that applicable codes, guidelines and standards recommendation by the classification societies and maritime industry conventions are taken into account.

The Company continuously and constantly communicates the targets and performances of the ESG to all the stakeholders of the Group internally or externally. Detailed information pertaining to the sustainability of the Group is stated in the Sustainability Report contained in this Annual Report or on the Company's website at [www.lianson.com](http://www.lianson.com).

In year 2023, the Board collectively agreed to have an ESG agenda item in the Board meeting on a half-yearly basis or when there is a need arises, which all material sustainability matters are driven by the Board and supported by the Sustainability Steering Committee ("SSC") (chaired by the MD) and the ESG Task Force (chaired by Chief Financial Officer and includes the Heads of Business Function). The members of the ARMC are given the task of overseeing the ESG agenda item of the Group before reporting to the Board.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont.)

#### II. BOARD COMPOSITION

LFG is led by a capable and experienced Board. The Board currently comprises six (6) Directors, consisting of one (1) Executive Chairman, one (1) Non-Independent Non-Executive Director, and four (4) Independent Non-Executive Directors.

The Board Charter provides that the Board should consist of qualified individuals with diverse experiences, backgrounds, and perspectives. The current Board composition comprises business leaders and professionals from the Oil and Gas industry, risk management, finance, legal, project management, engineering, accounting, and general experience in management. This combination of different professions and skills working together enables the Board to promote the interests of all shareholders and to govern our Group effectively.

The Board welcomes the push for greater diversity in the boardroom, which can provide a more diverse approach to business decision-making, and the Company shared the view that a diverse Board will enhance decision-making for the best interest of the Group.

As of the date of this CG Overview Statement, there is one (1) female Board member, representing 17% of female representation on the Board. The Board supports the country's aspirational target of 30% representation of women directors and will ensure that it remains as one of the considerations for potential candidates.

The Board, through the NRC, conducts the annual review of its size and composition. The Board is of the opinion that its current size remains optimum and its current composition, diverse professional background, skills, and experience, are conducive and effective.

The NRC comprises two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The members of the NRC and their attendance at the NRC meetings during FYE 2024 are as follows:

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont.)

#### II. BOARD COMPOSITION (cont.)

Name of Director	Membership	Attendance
<b>Edwanee Cheah bin Abdullah</b> Independent Non-Executive Director (ceased on 30 May 2024)	Chairman	1/1
<b>Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar</b> Independent Non-Executive Director (appointed w.e.f. 30 May 2024)	Chairman	1/1
<b>Dato' Syed Yasir Arafat bin Syed Abd Kadir</b> Non-Independent Non-Executive Director	Member	2/2
<b>Ainul Azhar bin Ainul Jamal</b> Independent Non-Executive Director (appointed w.e.f. 7 March 2025)	Member	N/A
<b>Madeline Lee May Ming</b> Independent Non-Executive Director (ceased on 30 May 2024)	Member	1/1

Following the retirements of Encik Edwanee Cheah bin Abdullah and Ms. Madeline Lee May Ming, the NRC Chairman and member, respectively, on 30 May 2024, the Board took prompt action to address the resulting vacancy. A new member was appointed after the financial year-end to ensure the continued effectiveness and functionality of the NRC. The appointed member brings relevant qualifications and experience, aligning with the required expertise to support the NRC's oversight responsibilities. This appointment reflects the Group's ongoing commitment to upholding high standards of corporate governance, particularly in the areas of Board nomination, succession planning, and fair remuneration practices.

The duties and responsibilities of the NRC are set out in the TOR, which is published on the Company's website at [www.lianson.com](http://www.lianson.com).

During FYE 2024, the NRC has undertaken the following activities:

- Conducted annual review of the Board evaluation process;
- Reviewed the key performance indicators and corporate scorecard for Executive Director and Senior Management;
- Reviewed and recommended the Non-Executive Directors' fees and benefits to the Board subject to approval by shareholders at the Annual General Meeting ("**AGM**");
- Reviewed the updated and enhanced Human Capital Policies and Employee Handbook;
- Reviewed the terms of office and performance of the ARMC and each of its members in compliance with Bursa Malaysia Securities MMLR;
- Reviewed, considered, and recommended the appointments of Executive Chairman, Independent Non-Executive Directors, and a change in the composition of the Board Committees to the Board for approval; and
- Reviewed, considered, and recommended the remuneration package of the Executive Chairman to the Board for approval.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont.)

#### II. BOARD COMPOSITION (cont.)

##### **Board Independence and Assessment of Independent Directors**

The Board composition complies with Bursa Malaysia Securities MMLR, requiring at least two or one-third of the Board, whichever is higher, to be Independent Directors as well as MCGG 2021 which requires at least half of the Board comprises Independent Directors. The strong presence of a majority of Independent Directors provides an effective check and balance in the functioning of the Board.

Their presence ensures that issues of strategies, performance and resources proposed by Management are objectively evaluated thus providing a check and balance to Management. The Independent Directors fulfill the criteria as prescribed under Paragraph 1.01 of Bursa Malaysia Securities MMLR. The Independent Non- Executive Directors are persons of high calibre and integrity, who collectively provide skill and competencies to ensure the effectiveness of the Board.

The Board, through the NRC, undertakes the independence assessment of all its Independent Directors which is carried out as part of the Board assessment annually. From the recent independence assessment of the Independent Directors, the Board was satisfied that all the Independent Directors of the Company, namely Puan Farina binti Farikhullah Khan, Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar, Encik Ainul Azhar bin Ainul Jamal, and Captain Adarash Kumar A/L Chranji Lal Amarnath, are able to exercise independent judgement and continue to act in the best interest of the Company.

##### **Fostering Commitment**

Recognising the important responsibility of a Director towards the Board's success, the Board has provided sufficient time in discharging their roles and responsibilities effectively. All Directors complied with the minimum attendance of at least 50% of Board meetings held in the financial year pursuant to Bursa Malaysia Securities MMLR. In addition, Board members are well prepared, having read the meeting papers and all background materials before every Board meeting.

The table below shows the attendance record of the Directors for the Board meetings held during FYE 2024:



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont.)

#### II. BOARD COMPOSITION (cont.)

Name of Director	Attendance
<b>Dato' Mutalib</b> Former Chairman, Non-Independent Non-Executive Director (retired on 30 May 2024)	5/6
<b>Lim Chern Wooi</b> Executive Chairman (appointed on 10 May 2024 and redesignated as Chairman on 30 May 2024)	4/4
<b>Dato' Syed Yasir Arafat bin Syed Abd Kadir</b> Non-Independent Non-Executive Director	8/9
<b>Farina binti Farikhullah Khan</b> Independent Non-Executive Director	8/9
<b>Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar</b> Independent Non-Executive Director (appointed w.e.f. 10 May 2024)	4/4
<b>Ainul Azhar bin Ainul Jamal</b> Independent Non-Executive Director (appointed w.e.f. 25 July 2024)	3/3
<b>Captain Adarash Kumar A/L Chranji Lal Amarnath</b> Independent Non-Executive Director (appointed w.e.f. 2 January 2025)	N/A
<b>Datuk Wira Azhar bin Abdul Hamid</b> Senior Independent Non-Executive Director (retired on 30 May 2024)	5/6
<b>Edwanee Cheah bin Abdullah</b> Independent Non-Executive Director (retired on 30 May 2024)	6/6
<b>Madeline Lee May Ming</b> Independent Non-Executive Director (retired on 30 May 2024)	6/6
<b>Dato' Sri Hadian</b> Non-Independent Non-Executive Director (resigned on 13 December 2024)	8/9
<b>Datuk Abdullah bin Karim</b> Independent Non-Executive Director (resigned on 16 December 2024)	9/9

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont.)

#### II. BOARD COMPOSITION (cont.)

##### Training and Development of Directors

The Board acknowledges that continuous education is vital for the Board members to gain insight into the state of economy, technological advances, regulatory updates, and management strategies to enhance the Board's skills and knowledge in discharging its responsibilities.

Throughout FYE 2024, all Board members had attended various training programmes, conferences, seminars, and courses organised by regulatory authorities and professional bodies. Training programmes attended by the Directors for FYE 2024 are provided in the CG Report.

##### Board Assessments

The NRC is tasked to assist the Board in carrying out the annual assessment of the effectiveness of the Board as a whole, the Board Committees and the contribution or performance of each individual Director. The NRC also assists the Board in assessing the independence of the Independent Directors annually ("**Board Assessments**").

The Board Assessments are aimed at improving the Board's effectiveness as well as to draw the Board's attention to key areas that need to be addressed in order for the Board and individual Directors to maintain its significance. The Board Assessments consist of the following:

- i. Board and Board Committees performance evaluation;
- ii. Self and peer performance evaluation;
- iii. ARMC self and peer performance evaluation; and
- iv. Level of independence of an Independent Director.

The results and recommendations from the evaluation of the Board and Board Committees are presented to the Board for full consideration and action. The Board is satisfied with the evaluation results.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont.)

#### III. REMUNERATION

##### Directors' Remuneration

The determination of Directors' remuneration is a matter deliberated by the NRC and approved by the Board as a whole. In recommending the proposed Directors' fees, the NRC takes into consideration the qualifications, duty and responsibility, and contribution required from a Director in view of the Group's complexity, and also the market rate in the industry.

The Non-Executive Directors are paid with fixed annual Directors' fees as members of the Board, which are approved by the Company's shareholders at the AGM. An additional fee is also paid to the Non-Executive Directors sitting on Board Committees (except for ESSC). In addition, a meeting allowance is paid for attendance at the meetings of the Board and the Board Committees.

The NRC also recommends to the Board the remuneration package of the Executive Chairman and MD for consideration and approval. In evaluating the Executive Chairman and MD's remuneration, the NRC took into account the Group's financial performance and performance on a range of non-financial factors, which reflect the level of risk, responsibility, as well as performance of the Company and the industry norm. The Executive Chairman and MD's remuneration are structured so as to link rewards to the Group and individual performance.

The detailed disclosure for remuneration of individual Directors and breakdown of individual Directors' emoluments and benefits in-kind for FYE 2024 are as below:

Name of Director	Company ('000)			Group ('000)		
	Emoluments (RM)	Benefits-in-Kind (RM)	Total	Emoluments (RM)	Benefits-in-Kind (RM)	Total
Lim Chern Wooi* (appointed on 10 May 2024)	1,146	-	1,146	1,146	-	1,146
Dato' Syed Yasir Arafat bin Syed Abd Kadir	102	-	102	102	-	102
Farina binti Farikhullah Khan	151	-	151	151	-	151
Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar (appointed on 10 May 2024)	93	-	93	93	-	93
Ainul Azhar bin Ainul Jamal (appointed on 25 July 2024)	57	-	57	57	-	57
Dato' Mutalib (retired on 30 May 2024)	83	-	83	83	-	83
Datuk Wira Azhar bin Abdul Hamid (retired on 30 May 2024)	68	-	68	68	-	68
Edwanee Cheah bin Abdullah (retired on 30 May 2024)	65	-	65	65	-	65
Madeline Lee May Ming (retired on 30 May 2024)	64	-	64	64	-	64
Datuk Abdullah bin Karim (resigned on 16 December 2024)	151	-	151	151	-	151
Dato' Sri Hadian** (resigned on 13 December 2024)	1,642	-	1,642	1,642	-	1,642
<b>Total</b>	<b>3,622</b>	<b>-</b>	<b>3,622</b>	<b>3,622</b>	<b>-</b>	<b>3,622</b>

\* Mr. Lim Chern Wooi, being the Executive Chairman, has waived his entitlements for the Director's fees and benefits, which comprise solely meeting allowances.

\*\* Amount includes RM171,428 share based payments based on the fair value of the shares.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### I. ARMC

##### Financial Reporting

The Board aims to provide and present a clear, balanced, and comprehensive assessment of the Group's financial performance and prospects at the end of the financial year, primarily through the annual financial statements, quarterly announcement of results to shareholders, Chairman's and MD's statements, operational review, and financial review. The Board is assisted by the ARMC to oversee the Group's financial reporting processes and the quality of its financial reporting. The quarterly financial results and audited financial statements are reviewed by the ARMC to ensure compliance with the applicable financial reporting standards and are approved by the Board before being released to Bursa Malaysia Securities within the prescribed period.

##### External Auditors

The ARMC and Board place great emphasis on the objectivity and independence of the external auditors in providing a true and fair report to the shareholders. The Board, through its ARMC, maintains a transparent relationship with its external auditors, PricewaterhouseCoopers PLT ("External Auditors"). The ARMC is empowered to communicate directly with the External Auditors and vice versa.

The External Auditors also have direct access to the ARMC to highlight any issues of concern at any point in time. It is a policy of the ARMC to meet with the External Auditors at least twice a year without the presence of the Executive Chairman, MD, and Management to discuss audit findings, audit plans, and the Company's financial statements. The TOR of the ARMC provides procedures to assess the suitability, objectivity, and independence of the External Auditors.

The ARMC discusses with the External Auditors periodically on the nature and scope of audits and reporting obligations before the audit commences and seeks their professional advice to ensure that accounting standards are complied with. The ARMC also ensures that Management provides timely responses on all material queries raised by the External Auditors after the audit in respect of the accounting records, financial statements, or systems of control.

With respect to the appointment or re-appointment of External Auditors, the ARMC is accorded the responsibility to review the suitability and independence of the External Auditors before an appropriate recommendation is made to the Board and shareholders. In assessing the suitability and independence of the External Auditors for FYE 2024, the ARMC received a confirmation in writing from the External Auditors that they were and had been independent during the year in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants.

The Board considers the declaration of independence, integrity, and objectivity made by the External Auditors in their Audit Report for the year 2024 as adequate to serve as an assurance from the External Auditors on their independence and integrity throughout the conduct of their audit engagement.

The services provided by the External Auditors include statutory audits and non-audit services. The details of the audit and non-audit fees paid/payable in FYE 2024 to the External Auditors are disclosed under the Additional Compliance Information section of this Annual Report.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### II. RISK MANAGEMENT AND INTERNAL CONTROLS FRAMEWORK

##### **Risk Management and Internal Audit Function**

The Board recognises the importance of risk management and internal controls and has established a structured risk management framework to identify, evaluate, control, monitor and report the key business risks faced by the Group on an ongoing basis to safeguard shareholders' investment and the Group's assets.

The Board has also established internal control policies and procedures and monitors to ensure that such internal control system is implemented and effectively carried out by Management through periodic independent reviews by the Internal Auditors and External Auditors.

The Board has outsourced the internal audit function to an independent professional audit firm i.e. Deloitte Business Advisory Sdn. Bhd. ("**Internal Auditors**") since May 2015. The Internal Auditors report directly to the ARMC and conduct regular audits to review and provide assurance to the Board on the adequacy and effectiveness of the Group's risk management, control, and governance processes.

The Statement on Risk Management and Internal Control set out in this Annual Report provides an overview of the state of risk management and internal control within the Group. The External Auditors are appointed by the Board to review the Statement on Risk Management and Internal Control and to report thereon.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### I. ENGAGEMENT WITH STAKEHOLDERS

The Board recognises the importance of transparency and accountability in communication and dissemination of clear, relevant and comprehensive information on the Group's business activities to shareholders, investors and other stakeholders. To this effect, the Board has maintained an effective Corporate Disclosure Policy that enables both Management and the Board to communicate effectively with the shareholders and investors. In formulating the Corporate Disclosure Policy, the Board is guided by best practices and disclosure requirements as set out in Bursa Malaysia Securities MMLR.

LFG is committed to ensuring all announcements are released via Bursa Malaysia Securities in a timely manner as required under Bursa Malaysia Securities MMLR. LFG ensures that its corporate website is fully utilised as a medium to convey information to its shareholders and investors with regards to the Company and its group of companies via LFG's website at [www.lianson.com](http://www.lianson.com). Shareholders and investors are also encouraged to convey their enquiries and concerns regarding the Group through the Corporate Communications department via email at [enquiry@lianson.com](mailto:enquiry@lianson.com).

#### II. CONDUCT OF GENERAL MEETINGS

The AGM and any general meetings of the Company serve as the principal forum for shareholders to have direct access to the Board and provide the opportunity for shareholders to raise questions pertaining to issues related to the Annual Report, Audited Financial Statements, corporate developments, resolutions being proposed, and the businesses of the Group.

During the AGM held in 2024, the Chief Financial Officer presented the Company's performance and highlighted salient items to the shareholders. The Board also encourages participation from shareholders by having a question-and-answer session during the AGM. Shareholders who are unable to participate in the fully virtual AGM are allowed to appoint proxies to participate and vote on their behalf in accordance with the Company's Constitution. All questions posed by shareholders during the AGM were well attended by the Board and/or the Senior Management.

In line with Bursa Malaysia Securities MMLR, all resolutions were voted via electronic poll voting. Leveraging information technology or effective meeting procedures, an electronic poll voting system was put in place whereby all shareholders of the Company participated in the polling procedure. An independent scrutineer was appointed to validate the poll results. Voting results of the general meetings are also announced instantaneously and displayed on the screen to shareholders/proxies after each resolution is put to a vote. The decision of each resolution put to the poll, as well as the name of the independent scrutineer, were announced to Bursa Malaysia Securities on the same day as the AGM.

The 2024 AGM's minutes were published on the Company's website at [www.lianson.com](http://www.lianson.com).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### ADDITIONAL COMPLIANCE INFORMATION

#### 1. AUDIT AND NON-AUDIT FEES

For the financial year ended 31 December 2024 ("FYE 2024"), the External Auditors, PricewaterhouseCoopers PLT, have rendered audit and non-audit services to the Group. A breakdown of fees paid/ payable is listed as below for information:

	RM GROUP	RM COMPANY
PricewaterhouseCoopers PLT		
- Statutory audit	689,248	206,250
- Audit related services <sup>(1)</sup>	1,030,000	1,030,000
Member firms of PricewaterhouseCoopers PLT		
- Statutory audit	32,327	–
- Other services <sup>(2)</sup>	684,796	611,796
<b>Total</b>	<b>2,436,371</b>	<b>1,848,046</b>

**Notes:**

- <sup>(1)</sup> Fees for audit-related services mainly comprise a non-recurring fee for reporting accountant services, audits other than statutory audits, and agreed-upon procedures.
- <sup>(2)</sup> Fees incurred primarily in connection with financial and tax due diligence on corporate exercises, and tax compliance services.

#### 2. MATERIAL CONTRACTS

Save as disclosed below, the Group has not entered into any material contracts, involving the interest of the Directors and major shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year:

- (i) Conditional Share Sale and Purchase Agreements ("SSPA") dated 22 November 2024 for the following acquisitions ("Proposed Acquisitions"):

SSPA	Purpose
SSPA 1	<p>(a) Proposed acquisition of 100 ordinary shares in Liannex Fleet Pte. Ltd. ("Liannex Fleet"), representing 100% of the issued and paid-up share capital of Liannex Fleet by Icon from Liannex Corporation (S) Pte. Ltd. for a purchase consideration of RM182.0 million to be wholly satisfied via the issuance of 206,818,182 new ordinary shares in Icon ("Consideration Shares") at an issue price of RM0.88 per Consideration Share ("Issue Price"); and</p> <p>(b) Proposed acquisition of 5,324,400 ordinary shares in Yinson Power Marine Sdn. Bhd. ("Yinson Power Marine"), representing 51% ordinary shares in Yinson Power Marine, being one of the subsidiaries of Liannex Fleet, by Icon from Mr. Lim Han Weng for a purchase consideration of RM18.0 million to be wholly satisfied via the issuance of 20,454,545 Consideration Shares at the Issue Price</p>



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### ADDITIONAL COMPLIANCE INFORMATION

#### 2. MATERIAL CONTRACTS (CONT.)

Save as disclosed below, the Group has not entered into any material contracts, involving the interest of the Directors and major shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year: (cont.)

- (i) Conditional Share Sale and Purchase Agreements ("SSPA") dated 22 November 2024 for the following acquisitions ("Proposed Acquisitions"): (cont.)

SSPA (cont.)	Purpose (cont.)
SSPA 2	<p>(a) Proposed acquisition of 525,000 ordinary shares in Regulus Offshore Sdn. Bhd. ("Regulus Offshore"), representing 70% ordinary shares in Regulus Offshore, and 25,000,000 non-convertible redeemable preference shares ("RPS") in Regulus Offshore, by Icon from Yinson Offshore Services Sdn. Bhd. ("Yinson Offshore") for a purchase consideration of RM136.0 million to be wholly satisfied via the issuance of 154,545,455 Consideration Shares at the Issue Price; and</p> <p>(b) Proposed acquisition of 1 ordinary share in Yinson Camellia Sdn. Bhd. ("Yinson Camellia"), representing 100% of the issued share capital of Yinson Camellia, by Icon from Yinson Offshore for a purchase consideration of RM24.0 million to be wholly satisfied via the issuance of 27,272,727 Consideration Shares at the Issue Price.</p>
SSPA 3	<p>(a) Proposed acquisition of 1 ordinary share in Yinson Port Ventures Pte. Ltd. ("YPVPL"), representing 100% of the issued and paid-up share capital of YPVPL and 10,289,000 redeemable convertible preference shares ("RCPS") in YPVPL, by Icon from Yinson Capital Sdn. Bhd. ("Yinson Capital") for a purchase consideration of RM16.9 million to be wholly satisfied via the issuance of 19,204,545 Consideration Shares at the Issue Price; and</p> <p>(b) Proposed acquisition of 1 ordinary share in Yinson Premier Limited ("YPL"), representing 100% of the issued and paid-up share capital of YPL, and 1,700,000 RCPS in YPL, by Icon from Yinson Capital for a purchase consideration of RM8.7 million to be wholly satisfied via the issuance of 9,886,364 Consideration Shares at the Issue Price.</p>
SSPA 4	<p>(a) Proposed acquisition of 49,000 ordinary shares in ICON Bahtera (B) Sdn. Bhd. ("ICON Bahtera"), representing 49% of the issued share capital of ICON Bahtera, and 3,011,000 non-convertible RPS in ICON Bahtera, by Icon from Zell Transportation Sdn. Bhd. ("Zell Transportation") for a purchase consideration of RM33.7 million to be wholly satisfied via the issuance of 38,295,455 Consideration Shares at the Issue Price; and</p> <p>(b) Proposed acquisition of 450,000 ordinary shares in ICON Waja (L) Inc. ("ICON Waja"), representing 15% of the issued and paid-up share capital in ICON Waja, by Icon from Zell Transportation for a purchase consideration of RM9.8 million to be wholly satisfied via the issuance of 11,136,364 Consideration Shares at the Issue Price.</p>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### ADDITIONAL COMPLIANCE INFORMATION

#### 2. MATERIAL CONTRACTS (CONT.)

The Company had during the Extraordinary General Meeting held on 27 January 2025 obtained shareholders' approval for SSPA 1, 2 and 4. Subsequently, SSPA 2 was completed on 31 January 2025 and 181,818,182 new ordinary shares were allotted to Yinson Offshore Services Sdn. Bhd. on the same day.

#### 3. LONG-TERM INCENTIVE PLAN ("LTIP")

In August 2023, the Company established the LTIP, which comprises the Employees' Share Option Scheme ("ESOS") and Employees' Share Grant Plan ("ESGP"), which consists of the Performance Share Plan and Retention Share Plan. The LTIP shall be effective for a period of 10 years, to align the Company's LTIP with market practices, which is envisaged to enhance the Company's compensation package to be more comprehensive and competitive.

However, the existing LTIP has been terminated with effect from 29 November 2024 in accordance with the terms of the By-Laws governing the existing LTIP ("By-Laws"). According to the By-Laws, subject to compliance with Bursa Malaysia Securities Berhad ("Bursa Malaysia Securities") Main Market Listing Requirements, guidelines or directives issued by Bursa Malaysia Securities and/or any other relevant authorities, the Company may at its sole discretion without obtaining the approvals and/or consents from the eligible persons or the shareholders of the Company, terminate the continuation of the existing LTIP.

(a) The total number of ESOS and ESGP granted, exercised/vested, forfeited, and outstanding during FYE 2024 is set out below:

Description	All Eligible Employees, Including Managing Director	Managing Director
<b>ESOS</b>		
Option brought forward	669,999	669,999
Options exercised	(329,999)	(329,999)
Options forfeited	(340,000)	(340,000)
Options outstanding	-	-
<b>ESGP</b>		
Shares brought forward	4,340,041	3,751,995
Shares granted	911,276	-
Shares vested	(115,799)	-
Shares forfeited	(5,135,518)	(3,751,995)
Shares outstanding	-	-

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### ADDITIONAL COMPLIANCE INFORMATION

#### 3. LONG-TERM INCENTIVE PLAN ("LTIP") (CONT.)

(b) The ESOS and ESGP granted during FYE 2024 to each category of employees are as follows:

	Date of offer 8 January 2024	Date of offer 1 March 2024
<b>Exercise price</b>	RM0.67	RM0.59
Total number of ESGP granted by category		
Senior Management	89,999	821,277
Total	89,999	821,277

*\*There was no ESOS granted during FYE 2024*

(c) The movement in ESOS granted to each category of employees during FYE 2024 is as follows:

Category	Balance b/f	Number of ESOS granted			Number of ESOS exercised			Forfeited	Balance as at 31 December 2024
		Number	%	Number of Eligible Persons	Number	%	Number of Eligible Persons		
Director	669,999	-	-	-	329,999	-	1	340,000	-
Total	669,999	-	-	-	329,999	-	1	340,000	-

(d) The movement in ESGP granted to each category of employees during FYE 2024 is as follows:

Category	Balance b/f	Number of ESGP granted			Number of ESGP vested			Forfeited	Balance as at 31 December 2024
		Number	%	Number of Eligible Persons	Number	%	Number of Eligible Persons		
Director	3,751,995	-	-	-	-	-	-	3,751,995	-
Senior Management	588,046	911,276	100	2	115,799	100	2	1,383,523	-
Total	4,340,041	911,276	100	2	115,799	100	2	5,135,518	-

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### ADDITIONAL COMPLIANCE INFORMATION (cont.)

#### 3. LONG-TERM INCENTIVE PLAN ("LTIP") (CONT.)

In accordance with the Company's By-Laws, not more than 75% of the Company's ordinary shares available under the LTIP shall be allocated, in aggregate, to the Managing Director and Senior Management of the Group. Percentage of options and shares granted to Directors and Senior Management under the LTIP is set out below:-

Description	MD and Senior Management	
	During the financial year	Since commencement up to 31 December 2024
ESOS	–	3.21%
ESGP	2.92%	23.56%

#### 4. RECURRENT RELATED PARTY TRANSACTIONS

During the financial year under review, the Company and its subsidiaries have not entered into any recurrent related party transactions of a revenue or trading nature.

#### 5. UTILISATION OF PROCEEDS

The Company did not raise funds through any corporate proposal during the financial year under review.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("**Board**") of the Company is pleased to present this Statement on Risk Management and Internal Control ("**the Statement**") pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**"). The Board has been guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers issued by The Institute of Internal Auditors Malaysia with the endorsement of Bursa Malaysia Securities when preparing the Statement.

## BOARD RESPONSIBILITY

The Board acknowledges its responsibility for the Group's system of risk management and internal control, and for reviewing its adequacy, effectiveness, and integrity of this system. However, given the limitations inherent in any system, it should be noted that such a system of internal control is designed to manage, rather than to eliminate, the risks of failure to achieve the Group's objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatements, frauds, losses, or breaches of laws and regulations.

The Board has established an ongoing process for identifying, evaluating, and managing the significant risks faced by the Group. The Board shall continue to improve the system of internal control and review the controls in place to ensure that the system is adequate to mitigate the significant risks. Management assists the Board in implementing the Board's policies and procedures, and in designing, operating, and monitoring suitable internal controls to mitigate and control these risks. This process has been in place for the financial year under review and up to the date of approval of this Statement. It is regularly reviewed by the Board through its Audit and Risk Management Committee ("**ARMC**"), which is supported by the internal audit function and Risk Management Department.

## RISK MANAGEMENT DEPARTMENT

### RISK MANAGEMENT FRAMEWORK

A Risk Management Framework was developed to support Management in ensuring that effective and efficient risk management processes and practices are embedded coherently across the Group. Key risk events were identified, evaluated, and communicated. Thus, appropriate measures were taken to control and mitigate these risks under the oversight and guidance of the Board.

The key risks affecting the achievement of the Group's objectives, identified by respective risk owners, are categorised into four (4) types, namely:

- Strategic risk;
- Market risk;
- Financial risk; and
- Operational risk

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### RISK MANAGEMENT FRAMEWORK (cont.)

These risks are evaluated to determine the appropriate risk treatment and are managed through, among others:

- Ongoing monitoring of key economic changes, industry outlook and regulatory developments;
- Detailed policies and standard operating procedures;
- Established Limits of Authority ("**LOA**");
- Established Group's Risk Criteria Matrix;
- Setting and monitoring of Key Performance Indicators ("**KPI**"); and
- Periodic operational and financial reporting.

Review of key risks is performed on a quarterly basis, in which the Group's risk profiles and rating, newly registered risks, and corresponding risk mitigating actions are identified and their progress is discussed and presented to the Board through the ARMC.

### INTERNAL CONTROL

The Board recognises the importance of maintaining a sound system of internal control to safeguard the shareholders' investments and the Group's assets. The key elements of the Group's system of internal control are described as follows:

#### 1. ARMC

The ARMC is comprised wholly of Non-Executive Board members and has full access to both Internal Auditors and External Auditors. It shall meet with the Internal Auditors without Management, Executive Chairman, and/or Managing Director's presence at least once a year and with the External Auditors at least twice a year or when necessary. Deloitte Business Advisory Sdn. Bhd. ("**Deloitte**"), was engaged in carrying out the internal audit function for the Group and reports directly to the ARMC. The activities performed by the ARMC during the financial year under review are set out in the ARMC Report.

#### 2. BOARD COMMITTEE

Besides the ARMC, the Company also has a Nomination and Remuneration Committee and Employees Share Scheme Committee. Due to the change in ownership during the financial year under review, the Executive Committee was replaced by a Management Committee team currently overseen by the Executive Chairman. These Board Committees are established to assist the Board in providing independent oversight of the Group's management in accordance with their responsibilities and authorities stated in the respective terms of reference.

#### 3. OUTSOURCED INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to Deloitte. Its primary role is to provide independent and objective assurance services to the Board, ARMC, and Management, focusing on reviewing the adequacy and effectiveness of the risk management, control, and governance processes that Management has put into place.

#### 4. RISK MANAGEMENT AND INTERNAL AUDIT FUNCTION

The role of risk management and internal audit function is to assist the ARMC in effectively discharging their risk management responsibilities, with emphasis given to assist Management in successfully implementing the Risk Management Framework across the Group.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### INTERNAL CONTROL (cont.)

#### 5. CORPORATE GOVERNANCE FRAMEWORK

Corporate governance is important to promote fairness, transparency, ethical behaviour, sustainability, and accountability in the Company's administration. The Legal and Secretarial Department oversees the practice of corporate governance within the Group.

The Company is guided by the three (3) principles of good governance listed by the Malaysia Code on Corporate Governance, which are Board leadership and effectiveness, effective audit and risk management, and integrity in corporate reporting and meaningful relationship with stakeholders.

The summary of the corporate governance practices adopted or applied by the Group can be found in the Corporate Governance Overview Statement and the Corporate Governance Report.

#### 6. ORGANISATIONAL STRUCTURE WITH DEFINED RESPONSIBILITY

A properly defined organisation structure with clear reporting lines, formalised responsibilities and delegation of authority has been established as a control mechanism in terms of lines of reporting and accountability.

#### 7. SETTING AND MONITORING KEY PERFORMANCE INDICATORS

The Group uses KPIs to measure the achievement of its strategic objectives. Corporate KPIs which are linked to the Group's strategic objectives are established at the beginning of the year and cascaded down to respective departments and employees. Monitoring of the performance of Corporate KPIs is carried out during meetings of the Management Committee on a monthly basis, and the Board on a quarterly basis. Achievement of individual KPIs is monitored through mid-year and year-end employee performance appraisal and is linked to performance-based rewards.

#### 8. ESTABLISHED LOA

Approved LOAs are established for the Management team in respect of the day-to-day operations as a control to minimise any risk of abuse of authority, and to ensure the segregation of duties.

#### 9. BUDGETING PROCESS AND FINANCIAL REPORTING

Each department undertakes a comprehensive annual business planning/ budgeting, and forecasting process. Management conducts monthly reviews of the financial performance of the Group against the financial budget, where required action plans are developed based on variances noted.

Management takes into consideration key economic changes, market and industry outlook, and regulatory developments in the preparation of the budget and forecast, and deliberates on the same during periodic reporting to the Board.

Our Group releases quarterly unaudited financial results and annual audited financial statements to Bursa Malaysia Securities.

#### 10. POLICY AND STANDARD OPERATING PROCEDURE FRAMEWORK

A Policy and Standard Operating Procedure Framework was developed to ensure key processes within the Group are properly documented, communicated and implemented by Management as well as to ensure that risk mitigation strategies, internal control principles and mechanisms are embedded consistently in the Group's operations.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### INTERNAL CONTROL (cont.)

#### 11. CODE OF ETHICS ("COE")

The Board and Management set the tone at the top for corporate behaviour and corporate governance. The COE has been formalised and adopted for the Directors and employees of the Group to encourage high standards of conduct that are associated with ethical business practices. It is also designed to prevent, if not eradicate, any corrupt practices and occurrences of bribery. Our employees are prohibited from engaging in any fraudulent activities such as bribery and kickbacks. Directors and employees of the Group are required to understand the COE and to acknowledge and sign off on the declaration form.

#### 12. SERVICE PROVIDER CODE OF CONDUCT

The Group believes that relationships with service providers should be based on the principles of integrity, honesty, accountability, and compliance with laws and regulations. With this objective, the Service Provider Code of Conduct ("**COC**") requires service providers, which include suppliers, contractors, professional advisors, consultants, and other business associates, to adhere to this COC when conducting business with the Group. The Group may take the necessary action for breaches of the COC, including but not limited to termination and preclusion from proposing any work for the Group.

#### 13. CORRUPTION RISK, ANTI-FRAUD AND WHISTLEBLOWING POLICY

The Anti-Fraud and Whistleblowing Policy is built into the Group's culture towards eliminating fraud and corruption. It also promotes a transparent and open environment for fraud reporting within the Group. The policy addresses the Group's commitment to integrity and ethical behaviour by helping to foster and maintain an environment where employees can act appropriately without fear of punishment.

With the introduction of Section 17A of the MACC (Amendment) Act 2018, a statutory corporate liability offence was enacted and introduced in Malaysia on 1 June 2020. Management assessed adequate procedures and controls within the Group to ensure that necessary safeguards are established to prevent incidents of corruption and bribery within the Group. A firm and strong tone from the Board on zero tolerance for corruption and bribery was repeatedly communicated to staff and third-party service providers during the financial year under review.

#### 14. CORPORATE DISCLOSURE POLICY

The Company currently observes and complies with the disclosure requirements set out in the MMLR of Bursa Malaysia Securities, guided by the Bursa Malaysia Corporate Disclosure Guide. The Corporate Disclosure Policy was developed to ensure that information directed to shareholders, stakeholders, and the general public represents the Company fairly and accurately.

Hence, investors and potential investors can make informed investment decisions, and stakeholders can be informed of the Company's material information.



## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### ADEQUACY OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Board has satisfactorily received reasonable assurance from the Executive Chairman and the Chief Financial Officer that the Group's risk management and internal control system is operating effectively and adequately in all material aspects for the financial year under review and up to the date of approval of this Statement.

### PLANS MOVING FORWARD

The Board and Management team acknowledge the importance of continuously strengthening the organisation's governance, risk management, and internal controls framework. As such, we have committed to undertaking a comprehensive review of existing policies, procedures, risk management practices, and other governance-related matters, with the objective of enhancing internal controls and ensuring robust and sustainable oversight mechanisms moving forward. The Management team had also embarked on a journey to review and replace the Group's existing Enterprise Resource Planning systems to facilitate future growth and expansion plans for the Group.

### CONCLUSION

The Board believes that the development of a sound system of risk management and internal control is an ongoing process and hence, has taken steps to improve the system progressively. During the financial year under review, certain areas for improvement in the system were identified. Management has been responsive to the issues raised and has taken the necessary actions to address the areas for improvement highlighted by the External Auditors and Internal Auditors. The Board is of the view that the system of risk management and internal control that is in place is effective and adequate to safeguard the Group's assets and shareholders' investments for the financial year under review and up to the date of approval of the Statement.

The Statement has been approved by the Board of the Company on 28 April 2025.

### REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the MMLR of Bursa Malaysia Securities, the External Auditors have reviewed this Statement. Limited assurance review was performed by the External Auditors in accordance with Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants. AAPG 3 does not require the External Auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Company.

# STATEMENT OF DIRECTORS' RESPONSIBILITY

The Companies Act 2016 requires the Directors to lay before the Company at its Annual General Meeting, the Audited Financial Statements for the Group and the Company for each financial year, made out in accordance with the applicable approved accounting standards and the provisions of the Companies Act 2016. This also aligns with Paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are required to take reasonable steps in ensuring that the Audited Financial Statements give a true and fair view of the state of affairs of the Group and the Company as at the end of the financial year ended 31 December 2024 ("FY2024").

In preparing the Audited Financial Statements, the Directors are responsible for ensuring that the Group and the Company have used appropriate accounting policies that are consistently applied, and supported by reasonable and prudent judgement and estimates. The Directors also confirm that all accounting standards which they consider to be applicable have been complied with.

The Directors are required under the Companies Act 2016 to ensure that the Group and the Company keep accounting records which disclose with reasonable accuracy on the financial position of the Group and the Company and to cause such records to be kept in such manner as to enable them to be conveniently and properly audited.

Pages 140 to 255 of this Annual Report are the financial statements of the Group and Company for FY2024.



# Financial Statements

# Directors' Report

## For the Financial Year Ended 31 December 2024

The Directors submit their report together with the audited financial statements of the Group and the Company for the financial year ended 31 December 2024.

### CHANGE OF COMPANY NAME

The Company received the Notice of Registration of New Name pursuant to Section 28 of the Companies Act 2016 dated 27 January 2025 issued by the Companies Commission of Malaysia. Accordingly, the name of the Company was changed from Icon Offshore Berhad to Lianson Fleet Group Berhad with effect from 27 January 2025. With effect from 7 February 2025, the Company's securities was traded and quoted under the new name of Lianson Fleet Group Berhad.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group are vessel owning/leasing and provision of vessel chartering and ship management services to oil and gas related industries.

### FINANCIAL RESULTS

	Group	Company
	RM	RM
Profit/(Loss) for the financial year attributable to:		
- Equity holders of the Company	44,047,150	(6,411,844)
- Non-controlling interests	(17,850,495)	-
Profit/(Loss) for the financial year	26,196,655	(6,411,844)

### DIVIDEND

The Directors do not recommend the payment of any final dividend for the financial year ended 31 December 2024.



# Directors' Report

For the Financial Year Ended 31 December 2024 (Continued)

## RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

## DIRECTORS

The Directors who have held office during the financial year and during the period from the end of the financial year to date of the report are as follows:

Dato' Syed Yasir Arafat bin Syed Abd Kadir	
Farina binti Farikhullah Khan	
Lim Chern Wooi	(Appointed on 10 May 2024)
Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar	(Appointed on 10 May 2024)
Ainul Azhar Bin Ainul Jamal	(Appointed on 25 July 2024)
Captain Adarash Kumar A/L Chranji LAL Amarnath	(Appointed on 2 January 2025)
Dato' Abdul Mutalib bin Alias	(Retired on 30 May 2024)
Datuk Wira Azhar bin Abdul Hamid	(Retired on 30 May 2024)
Edwanee Cheah bin Abdullah	(Retired on 30 May 2024)
Madeline Lee May Ming	(Retired on 30 May 2024)
Dato' Sri Hadian bin Hashim	(Resigned on 13 December 2024)
Datuk Abdullah bin Karim	(Resigned on 16 December 2024)
Alif Omar bin Mohamad Omar	(Resigned on 1 April 2025)
(Alternate Director to Dato' Syed Yasir Arafat bin Syed Abd Kadir)	

## LIST OF DIRECTORS OF SUBSIDIARIES

Pursuant to Section 253 of the Companies Act 2016, the list of Directors of subsidiaries (excluding Directors who are also Directors of the Company) in the office during the financial year and during the period from the end of the financial year to the date of the Report are as follows:

Siti Nursalwana binti Haji Awang	
Siti Nurul Hameezah binti Haji Awang	
Muhammad Abdul Hakeem bin Haji Awang	
Dato' Sri Hadian bin Hashim	
Lee Yu-Jin	
Lim Shi Jin	(Appointed on 13 December 2024)
Mazzrizal Abdul Wahab	(Appointed on 13 December 2024)

## DIRECTORS' INTERESTS

According to the register of Directors' shareholdings maintained by the Company in accordance with Section 59 of the Companies Act 2016, none of the Directors holding office as at 31 December 2024 had any interests and deemed interests in the shares, options over shares and warrants of the Company or its subsidiaries or its holding company or subsidiaries of the holding company during the financial year.

# Directors' Report

For the Financial Year Ended 31 December 2024 (Continued)

## DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, being arrangements with the object or objects of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no Director of the Group and the Company has received or become entitled to receive any benefit (other than the benefits shown under Directors' remuneration) by reason of a contract made by the Group and the Company or a related corporation with any Director or with a firm of which any Director is a member, or with a company in which any Director has a substantial financial interest except that a Director earned remuneration from a former related corporation.

## DIRECTORS' REMUNERATION

The aggregate amount of receivable by Directors during the financial year was as follows:

	<b>Group and Company</b>
	<b>RM</b>
<u>Executive:</u>	
Salaries, allowances and bonuses	2,200,545
Defined contribution plan	416,760
Share based payments	171,428
	<u>2,788,733</u>
<u>Non-Executive:</u>	
Fees and emoluments	833,835
Total Directors' remuneration	<u><u>3,622,568</u></u>

## INDEMNITY AND INSURANCE COSTS

The Company maintains a corporate liability insurance for Directors and Officers of the Company throughout the financial year, which provides appropriate insurance cover for the Directors and Officers of the Company. The amount of insurance premium paid and payable by the Company for the financial year ended 31 December 2024 was RM108,465.

# Directors' Report

For the Financial Year Ended 31 December 2024 (Continued)

## ISSUE OF SHARE CAPITAL AND WARRANTS

During the financial year, the following of ordinary shares were issued:

- (a) On 5 June 2024, 329,999 share options were exercised where 329,999 new ordinary shares of the Company were issued for RM347,225. Proceeds from the exercise of these share options were RM183,149.
- (b) On 29 April 2024, fixed rate term loans amounting to RM49,566,604 were settled via the issuance of 80,596,099 new ordinary shares of the Company.
- (c) 1,050,065 new ordinary shares of the Company were issued on 18, 20 and 30 September 2024 respectively for RM1,128.820 upon the exercise of warrants. Proceeds from the exercise of these warrants were RM866,304.

The new ordinary shares issued during the year rank pari passu in all respects with existing ordinary shares of the Company.

No warrants were issued during the financial year.

## EMPLOYEE SHARE SCHEME

The Group's Long-Term Incentive Plan ("LTIP") is governed by the By-Laws which was approved by the Board of Directors on 8 August 2023 and administered by the Employees' Share Scheme ("ESS") Committee. With effect from 29 November 2024, the Group's existing LTIP was terminated in accordance with the terms of the By-Laws governing the existing LTIP ("By-Laws"). According to the By-Laws, subject to compliance with the Main Market Listing Requirements, guidelines or directives issued by Bursa Malaysia Securities Berhad ("Bursa Malaysia Securities") and/or any other relevant authorities, the Company may at its sole discretion without obtaining the approvals and/or consents from the eligible persons or the shareholders of the Company, terminate the continuation of the existing LTIP.

## STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the financial statements of the Group and the Company were prepared, the Directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts have been written off and that adequate allowance is made for doubtful debts; and
- (b) to ensure that any current assets, which were unlikely to realise in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and the Company have been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- (a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; or

# Directors' Report

For the Financial Year Ended 31 December 2024 (Continued)

## STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (CONTINUED)

At the date of this report, the Directors are not aware of any circumstances: (continued)

- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and the Company to meet their obligations when they fall due.

At the date of this report, there does not exist:

- (a) any charge on the assets of the Group and the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and the Company which has arisen since the end of the financial year.

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

In the opinion of the Directors:

- (a) the results of the Group and the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and the Company for the financial year in which this report is made.

## HOLDING COMPANY AND ULTIMATE HOLDING FOUNDATION/COMPANY

Prior to 26 March 2024, the Directors regarded Hallmark Odyssey Sdn. Bhd., a company incorporated and domiciled in Malaysia, as the Company's immediate holding company, and Yayasan Ekuiti Nasional, a foundation incorporated in Malaysia, as the Company's ultimate holding foundation. On 26 March 2024, Liannex Maritime Sdn. Bhd. acquired 272,000,000 ordinary shares in the Company from Hallmark Odyssey Sdn. Bhd. via a direct business transaction. With effect from 26 March 2024, the Directors regard Liannex Maritime Sdn. Bhd., a company incorporated in Malaysia as the immediate holding company, and Liannex Corporation (S) Pte. Ltd., a company incorporated in Singapore as the ultimate holding company.

# Directors' Report

For the Financial Year Ended 31 December 2024 (Continued)

## SUBSIDIARIES AND PRINCIPAL ACTIVITIES OF SUBSIDIARIES

Details of subsidiaries and principal activities are as follows :

Name of subsidiary	Country of incorporation/ Principal place of business	Principal activity
Icon Ship Management Sdn. Bhd.	Malaysia	Ship management services to the oil and gas related industries
Icon Fleet Sdn. Bhd.	Malaysia	Investment holding
Icon Offshore Group Sdn. Bhd.	Malaysia	Provision of vessel services to the oil and gas related industries
LFG Overseas Ventures Sdn. Bhd.	Malaysia	Investment holding
LFG Well Services Sdn. Bhd.	Malaysia	Provision of well services to the oil and gas related industries
Omni Marine Sdn. Bhd.	Malaysia	Dormant
Omni Triton Sdn. Bhd.	Malaysia	Dormant
Icon Drilling Sdn. Bhd.	Malaysia	Dormant
Icon Maritime Training Centre Sdn. Bhd.	Malaysia	Dormant
Icon Caren (L) Inc.	Malaysia	Dormant
Icon Kayra (L) Inc.	Malaysia	Dormant
Omni Emery (L) Inc.	Malaysia	Dormant
Omni Victory (L) Inc.	Malaysia	Leasing of vessels
Omni Marissa (L) Inc.	Malaysia	Leasing of vessels



# Directors' Report

For the Financial Year Ended 31 December 2024 (Continued)

## SUBSIDIARIES AND PRINCIPAL ACTIVITIES OF SUBSIDIARIES (CONTINUED)

Details of subsidiaries and principal activities are as follows: (continued)

Name of subsidiary	Country of incorporation/ Principal place of business	Principal activity
Omni Stella (L) Inc.	Malaysia	Leasing of vessels
Omni Flotilla (L) Inc.	Malaysia	Dormant
Omni Offshore (L) Inc.	Malaysia	Dormant
Icon Azra (L) Inc.	Malaysia	Leasing of vessels
Icon Samudera (L) Inc.	Malaysia	Leasing of vessels
Icon Ikhlas (L) Inc.	Malaysia	Leasing of vessels
Icon Zara (L) Inc.	Malaysia	Leasing of vessels
Icon Waja (L) Inc.	Malaysia/Brunei*	Leasing of vessels
Icon Corridor (L) Inc.	Malaysia	Leasing of vessels
Icon Ocean (L) Inc.	Malaysia	Leasing of vessels
Icon Puteri 1 (L) Inc.	Malaysia	Leasing of vessels
Icon Puteri 2 (L) Inc.	Malaysia	Dormant
Icon Dawai (L) Inc.	Malaysia	Dormant
Icon Huma (L) Inc.	Malaysia	Dormant
Icon Sari (L) Inc.	Malaysia	Leasing of vessels
Icon Biru 1 (L) Inc.	Malaysia	Leasing of vessels
Icon Biru 2 (L) Inc.	Malaysia	Dormant
Icon Dahan 1 (L) Inc.	Malaysia	Leasing of vessels
Icon Dahan 2 (L) Inc.	Malaysia	Leasing of vessels
Icon Pinang 1 (L) Inc.	Malaysia	Dormant
Icon Pinang 2 (L) Inc.	Malaysia	Dormant

# Directors' Report

For the Financial Year Ended 31 December 2024 (Continued)

## SUBSIDIARIES AND PRINCIPAL ACTIVITIES OF SUBSIDIARIES (CONTINUED)

Details of subsidiaries and principal activities are as follows: (continued)

Name of subsidiary	Country of incorporation/ Principal place of business	Principal activity
Icon Pinang 3 (L) Inc.	Malaysia	Dormant
Icon Pinang 4 (L) Inc.	Malaysia	Dormant
Icon Piai 1 (L) Inc.	Malaysia	Leasing of vessels
Icon Piai 2 (L) Inc.	Malaysia	Leasing of vessels
Icon Gaya (L) Inc.	Malaysia	Dormant
Icon Tigris (L) Inc.	Malaysia	Leasing of vessels
Icon Lotus (L) Inc.	Malaysia	Leasing of vessels
Icon Sophia (L) Inc.	Malaysia	Leasing of vessels
Icon Aliza (L) Inc.	Malaysia/Brunei*	Leasing of vessels
Icon Bahtera (B) Sdn. Bhd.	Brunei	Vessel owner, operator and provision of vessel services to the oil and gas related industries
Icon Pioneer (L) Inc.	Malaysia	Dormant
Icon Astrid (L) Inc.	Malaysia	Dormant
Icon Andra (L) Inc.	Malaysia	Dormant
I Oilfield Services Sdn. Bhd.	Malaysia	Dormant

\*The principal place of business is in Brunei.

There were no significant changes in the nature of these principal activities during the financial year.

# Directors' Report

For the Financial Year Ended 31 December 2024 (Continued)

## AUDITORS' REMUNERATION

Auditors' remuneration for financial year ended 31 December 2024 is as follows:

	Group	Company
	RM	RM
PricewaterhouseCoopers PLT		
- Statutory audit	689,248	206,250
- Audit-related services	1,030,000	1,030,000
Member firms of PricewaterhouseCoopers PLT		
- Statutory audit	32,327	-
- Other services	684,796	611,796
	<u>2,436,371</u>	<u>1,848,046</u>

## AUDITORS

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

This report was approved by the Board of Directors on 28 April 2025. Signed on behalf of the Board of Directors:

**LIM CHERN WOOL**  
CHAIRMAN

**FARINA BINTI FARIKHULLAH KHAN**  
DIRECTOR

# Statement by Directors

## Pursuant to Section 251(2) of the Companies Act 2016

We, Lim Chern Wooi and Farina Binti Farikhullah Khan, being two of the Directors of Lianson Fleet Group Berhad (formerly known as Icon Offshore Berhad), do hereby state that, in the opinion of the Directors, the financial statements set out on pages 159 to 255 are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31 December 2024 and financial performance of the Group and of the Company for the financial year ended 31 December 2024 in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 28 April 2025.

**LIM CHERN WOUI**  
CHAIRMAN

**FARINA BINTI FARIKHULLAH KHAN**  
DIRECTOR

# Statutory Declaration

## Pursuant to Section 251(1) of the Companies Act 2016

I, Ng Yng Yng, being the Officer primarily responsible for the financial management of Lianson Fleet Group Berhad (formerly known as Icon Offshore Berhad), do solemnly and sincerely declare that the financial statements set out on pages 159 to 255 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

**NG YNG YNG**  
CHIEF FINANCIAL OFFICER  
28 APRIL 2025

Subscribed and solemnly declared by the above named Ng Yng Yng at Kuala Lumpur before me, on 28 April 2025.

COMMISSIONER FOR OATHS



## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIANSON FLEET GROUP BERHAD

(Formerly known as Icon Offshore Berhad)

(Incorporated in Malaysia)

Registration No. 201201011310 (984830-D)

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Our opinion

In our opinion, the financial statements of Lianson Fleet Group Berhad (the "Company") (formerly known as Icon Offshore Berhad) and its subsidiaries (the "Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

#### What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 159 to 255.

#### Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and other ethical responsibilities*

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.





**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF LIANSON FLEET GROUP BERHAD (CONTINUED)**

(Formerly known as Icon Offshore Berhad)

(Incorporated in Malaysia)

Registration No. 201201011310 (984830-D)

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and of the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Group

Key audit matters	How our audit addressed the key audit matters
<b>Impairment assessment of vessels</b>  Refer to Note 2.4 and Note 2.5 – Summary of material accounting policies, Note 3(i) – Critical accounting estimates and judgements and Note 16 – Property, Plant and Equipment.	We performed the following audit procedures:  (a) We evaluated management's assessment for indicators of impairment requiring an impairment assessment.



## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIANSON FLEET GROUP BERHAD (CONTINUED)

(Formerly known as Icon Offshore Berhad)

(Incorporated in Malaysia)

Registration No. 201201011310 (984830-D)

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Group (continued)

Key audit matters	How our audit addressed the key audit matters
<p><b>Impairment assessment of vessels (continued)</b></p> <p>As at 31 December 2024, the carrying value of property, plant and equipment of the Group was RM491.7 million. The Directors of the Group have assessed that indicators of impairment exist and therefore, impairment assessments were performed in accordance with the requirements of MFRS 136 "Impairment of Assets".</p> <p>A net impairment of RM1.6 million on vessels were recognised during the year.</p> <p>We focused on this area as significant estimates and judgements were applied in arriving at recoverable amounts, being the higher of the vessels' fair value less cost of disposal ("FVLCOD") and their value-in-use ("VIU").</p>	<p>We have performed the following procedures over the VIU computations prepared by management:</p> <ul style="list-style-type: none"> <li>(a) Agreed the VIU cash flow projections to Directors' approved financial projections;</li> <li>(b) Discussed with management key assumptions used in the VIU cash flow projections such as useful lives of vessels, projected utilisation and charter rates and compared them to historical data and/or available market data;</li> <li>(c) Checked reasonableness of the discount rates with assistance from our valuation experts by benchmarking the rate to industry reports;</li> <li>(d) Corroborated amount and timing of drydock expenditure to docking schedules obtained from the Group's operations department; and</li> <li>(e) Assessed adequacy of disclosures in the financial statements.</li> </ul> <p>We have also performed the following procedures over the FVLCOD of the vessels:</p> <ul style="list-style-type: none"> <li>(a) Evaluated competencies and objectivity of the valuer engaged by management by considering the valuers' professional qualification and experience;</li> <li>(b) Obtained the latest external valuation report and held discussions with the valuer to understand and verify valuation techniques, methodology and significant inputs used in deriving fair values of vessels; and</li> <li>(c) Assessed the adequacy of disclosures in the financial statements.</li> </ul> <p>Based on the assessments above, we compared management's assessment of VIU and FVLCOD for each vessel where an impairment assessment was performed.</p> <p>Based on the procedures carried out above, we did not find any material exception.</p>



**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF LIANSON FLEET GROUP BERHAD (CONTINUED)**

(Formerly known as Icon Offshore Berhad)

(Incorporated in Malaysia)

Registration No. 201201011310 (984830-D)

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

Key audit matters (continued)

Company

Key audit matters	How our audit addressed the key audit matters
<p><b>Impairment assessment of investments in subsidiaries and amounts due from subsidiaries</b></p> <p>Refer to Note 2.3 and Note 2.5 - Summary of significant accounting policies, Note 3(ii) – Critical accounting estimates and judgements and Note 17 - Interests in subsidiaries.</p> <p>As at 31 December 2024, the total carrying value of investments in subsidiaries and amounts due from subsidiaries were RM257.9 million and RM120.8 million respectively.</p> <p>The Directors of the Company have assessed that indicators of impairment exist and therefore, impairment assessments were performed in accordance with the requirements of MFRS 136 "Impairment of Assets" and MFRS 9 "Financial Instruments".</p> <p>For impairment assessments on the carrying value of investments in subsidiaries, recoverable amounts were determined by Directors based on cash flows prepared under the VIU method ("VIU cash flows"). Whereas for impairment assessments on amounts due from subsidiaries, expected credit loss cash flows were used. Based on management's assessments for both impairment assessments, no additional impairment was required.</p>	<p>We performed the following audit procedures:</p> <p>The expected credit loss cash flows:</p> <ul style="list-style-type: none"> <li>(a) Assessed the ability of settlement by subsidiaries based on estimated future cash flows of the respective subsidiaries determined based on Directors' approved cash flow projections used in the impairment assessment of vessels; and</li> <li>(b) Checked accuracy of the projected cash flow projections computation.</li> </ul> <p>The VIU cash flows:</p> <ul style="list-style-type: none"> <li>(a) Agreed the VIU cash flow projections to Directors' approved cash flow projections used in the impairment assessments of vessels;</li> <li>(b) Checked that the VIU cash flow projections used to determine recoverable amounts were adjusted for financing cash flow projections of respective subsidiaries;</li> <li>(c) Checked the discount rates used with assistance from our valuation experts by benchmarking this rate to industry and available market data to ascertain reasonableness of discount rates used;</li> <li>(d) Considered indicators of reversal of impairment, if any; and</li> <li>(e) Assessed the adequacy of disclosures in the financial statements of key assumptions and sensitivity analysis.</li> </ul> <p>Based on procedures carried out above, we did not find any material exception.</p>



## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIANSON FLEET GROUP BERHAD (CONTINUED)

(Formerly known as Icon Offshore Berhad)

(Incorporated in Malaysia)

Registration No. 201201011310 (984830-D)

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Company (continued)

Key audit matters	How our audit addressed the key audit matters
<b>Impairment assessment of investments in subsidiaries and amounts due from subsidiaries (continued)</b>  We focused on this area due to the estimation of recoverable amounts and the expected credit loss cash flows which are inherently uncertain and require significant judgement on future cash flows and discount rate applied.	

### Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Statement on Risk Management and Internal Control, Directors' Report and other sections of the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIANSON FLEET GROUP BERHAD (CONTINUED)**

(Formerly known as Icon Offshore Berhad)

(Incorporated in Malaysia)

Registration No. 201201011310 (984830-D)

### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

#### Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

#### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.





## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIANSON FLEET GROUP BERHAD (CONTINUED)

(Formerly known as Icon Offshore Berhad)

(Incorporated in Malaysia)

Registration No. 201201011310 (984830-D)

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

#### Auditors' responsibilities for the audit of the financial statements (continued)

- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF LIANSON FLEET GROUP BERHAD (CONTINUED)**

(Formerly known as Icon Offshore Berhad)

(Incorporated in Malaysia)

Registration No. 201201011310 (984830-D)

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 17 to the financial statements.

**OTHER MATTERS**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT  
LLP0014401-LCA & AF 1146  
Chartered Accountants

IRVIN GEORGE LUIS MENEZES  
02932/06/2026 J  
Chartered Accountant

**Kuala Lumpur  
28 April 2025**

# Statements of Comprehensive Income

For the Financial Year Ended 31 December 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
<u>Continuing operations</u>					
Revenue	5	235,781,131	199,788,089	4,687,834	33,212,036
Cost of sales		(163,819,261)	(161,271,808)	-	-
Gross profit		71,961,870	38,516,281	4,687,834	33,212,036
Other income	6	6,537,093	2,988,409	244,703	921,281
Gain on disposal of property, plant and equipment	16	3,201	649,861	-	-
Administrative expenses		(33,957,209)	(20,831,192)	(11,037,560)	(7,045,959)
(Impairment)/Reversal of impairment on vessels (net)	8, 16	(1,629,786)	12,162,306	-	-
Profit/(Loss) from operations		42,915,169	33,485,665	(6,105,023)	27,087,358
Finance costs	7	(10,290,963)	(20,699,798)	-	-
Profit/(Loss) before taxation	8	32,624,206	12,785,867	(6,105,023)	27,087,358
Taxation	11	(6,427,551)	(6,173,111)	(306,821)	-
Profit/(Loss) for the financial year from continuing operations		26,196,655	6,612,756	(6,411,844)	27,087,358
<u>Discontinued operations</u>					
Profit for the financial year from discontinued operations	12	-	103,824	-	-
Profit/(Loss) for the financial year		26,196,655	6,716,580	(6,411,844)	27,087,358
Other comprehensive (loss)/ income:					
Items that will be reclassified subsequently to profit or loss:					
- Currency translation differences		(95,350)	1,766,519	-	-
Total comprehensive income/(loss) for the financial year		26,101,305	8,483,099	(6,411,844)	27,087,358
Profit/(Loss) attributable to:					
- Equity holders of the Company					
- from continuing operations		44,047,150	4,752,354	(6,411,844)	27,087,358
- from discontinued operations		-	103,824	-	-
		44,047,150	4,856,178	(6,411,844)	27,087,358
- Non-controlling interests					
- from continuing operations		(17,850,495)	1,860,402	-	-
		26,196,655	6,716,580	(6,411,844)	27,087,358

# Statements of Comprehensive Income

For the Financial Year Ended 31 December 2024 (Continued)

		Group		Company	
		<u>2024</u> RM	<u>2023</u> RM	<u>2024</u> RM	<u>2023</u> RM
Total comprehensive income/(loss) attributable to:	Note				
- Equity holders of the Company					
- from continuing operations		43,998,522	5,653,278	(6,411,844)	27,087,358
- from discontinued operations		-	103,824	-	-
		43,998,522	5,757,102	(6,411,844)	27,087,358
- Non-controlling interests					
- from continuing operations		(17,897,217)	2,725,997	-	-
		26,101,305	8,483,099	(6,411,844)	27,087,358
		Sen	Sen		
Basic earnings/(loss) per share attributable to owners of the Company					
- from continuing operations	13	7.39	0.88		
- from discontinued operations	13	-	0.02		
		7.39	0.90		
		Sen	Sen		
Diluted earnings/(loss) per share attributable to owners of the Company					
- from continuing operations	13	7.21	0.88		
- from discontinued operations	13	-	0.02		
		7.21	0.90		

The notes set out on pages 172 to 255 form an integral part of these financial statements.

# Statements of Financial Position

As at 31 December 2024

		Group		Company	
	Note	<u>2024</u> RM	<u>2023</u> RM	<u>2024</u> RM	<u>2023</u> RM
<b>NON-CURRENT ASSETS</b>					
Property, plant and equipment	16	491,676,372	492,008,149	-	-
Interests in subsidiaries	17	-	-	378,722,283	336,408,004
Cash and bank balances	21	42,583,193	-	-	-
Right-of-use assets	19	204,435	469,287	-	-
Deferred tax assets	18	13,122,183	18,052,782	-	-
		547,586,183	510,530,218	378,722,283	336,408,004
<b>CURRENT ASSETS</b>					
Inventories		1,944,135	4,271,023	-	-
Trade and other receivables	20	97,655,135	48,295,244	38,479	153,220
Interests in subsidiaries	17	-	-	-	33,212,036
Tax recoverable		4,520,333	4,337,901	83,171	15,675
Cash and bank balances	21	48,974,630	147,358,131	6,801,817	31,414,437
		153,094,233	204,262,299	6,923,467	64,795,368
Non-current assets held for sale	22	-	11,934,000	-	-
		153,094,233	216,196,299	6,923,467	64,795,368
<b>CURRENT LIABILITIES</b>					
Trade and other payables	23	60,190,491	47,748,457	3,806,340	1,683,264
Dividend payable		-	27,081,874	-	27,081,874
Lease liabilities	19	104,617	504,987	-	-
Borrowings	24	35,232,196	248,795,659	-	-
Amount due to subsidiary		-	-	-	35,000,000
Tax payable		2,926,472	1,731,880	-	-
		98,453,776	325,862,857	3,806,340	63,765,138
<b>NET CURRENT ASSETS/ (LIABILITIES)</b>		54,640,457	(109,666,558)	3,117,127	1,030,230



# Statements of Financial Position

As at 31 December 2024 (Continued)

			Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM	
NON-CURRENT LIABILITIES						
Lease liabilities	19	104,713	49,950	-	-	
Borrowings	24	125,491,876	-	-	-	
Deferred tax liabilities	18	20,107,322	23,485,306	-	-	
		145,703,911	23,535,256	-	-	
NET ASSETS		456,522,729	377,328,404	381,839,410	337,438,234	
EQUITY						
Share capital	25	368,983,896	317,941,247	368,983,896	317,941,247	
Warrant reserves	25	32,463,223	32,725,739	32,463,223	32,725,739	
Currency translation reserve		3,032,568	3,081,196	-	-	
Share based payment reserve	26	-	39,163	-	39,163	
Capital contribution reserve	27	7,685,596	7,613,546	7,685,596	7,613,546	
Retained earnings/ (Accumulated losses)		27,774,225	(16,061,208)	(27,293,305)	(20,881,461)	
Total equity attributable to owners of the Company		439,939,508	345,339,683	381,839,410	337,438,234	
Non-controlling interest		16,583,221	31,988,721	-	-	
TOTAL EQUITY		456,522,729	377,328,404	381,839,410	337,438,234	

The notes set out on pages 172 to 255 form an integral part of these financial statements.

# Statements of Changes in Equity

For the Financial Year Ended 31 December 2024

Attributable to equity holders of the Company									
Group	Note	Share capital RM	Warrant reserve RM	Currency translation reserve RM	Share based payment reserve RM	Capital contribution reserve RM	Retained earnings/ (Accumulated losses) RM	Non-controlling interest RM	Total equity RM
At 1 January 2024		317,941,247	32,725,739	3,081,196	39,163	7,613,546	(16,061,208)	31,988,721	377,328,404
Profit for the financial year		-	-	-	-	-	44,047,150	(17,850,495)	26,196,655
Currency translation differences, representing total income and expense recognised directly in equity		-	-	(48,628)	-	-	-	(46,722)	(95,350)
Total comprehensive income for the financial year		-	-	(48,628)	-	-	44,047,150	(17,897,217)	26,101,305
Transactions with shareholders									
Issuance of ordinary shares for settlement of fixed rate term loans	25	49,566,604	-	-	-	-	-	-	49,566,604
Employees' Share Grant Plan and Employees' Share Option Scheme ("ESOS")	9	-	-	-	171,428	72,050	-	-	243,478
Share options lapsed	9	-	-	-	(46,515)	-	-	-	(46,515)
Issuance of shares under ESOS	25	347,225	-	-	(164,076)	-	-	-	183,149
Issuance of ordinary shares for warrants exercised	25	1,128,820	(262,516)	-	-	-	-	-	866,304
Dilution of shareholding in a subsidiary	17	-	-	-	-	-	(211,717)	2,491,717	2,280,000
At 31 December 2024		368,983,896	32,463,223	3,032,568	-	7,685,596	27,774,225	16,583,221	456,522,729

# Statements of Changes in Equity

For the Financial Year Ended 31 December 2024 (Continued)

Group	Note	Attributable to equity holders of the Company							Total equity RM
		Share capital RM	Warrant reserve RM	Currency translation reserve RM	Share based payment reserve RM	Capital contribution reserve RM	Retained earnings/ (Accumulated losses) RM	Non-controlling interest RM	
At 1 January 2023		1,147,277,391	32,725,839	2,180,272	123,664	6,420,484	(823,835,512)	37,630,137	402,522,275
Profit for the financial year		-	-	-	-	-	4,856,178	1,860,402	6,716,580
Currency translation differences, representing total income and expense recognised directly in equity		-	-	900,924	-	-	-	865,595	1,766,519
Total comprehensive income for the financial year		-	-	900,924	-	-	4,856,178	2,725,997	8,483,099
<u>Transactions with shareholders</u>									
Employees' Share Grant Plan and Employees' Share Option Scheme	9	-	-	-	340,939	1,069,398	-	-	1,410,337
Issuance of shares under ESOS	25	663,426	-	-	(301,776)	-	-	-	361,650
Dividends		-	-	-	-	-	(27,081,874)	(8,367,413)	(35,449,287)
Capital reduction	25	(830,000,000)	-	-	-	-	830,000,000	-	-
Issuance of ordinary share for warrants exercised	25	430	(100)	-	-	-	-	-	330
Reclassification from share based payment reserve to capital contribution		-	-	-	(123,664)	123,664	-	-	-
At 31 December 2023		317,941,247	32,725,739	3,081,196	39,163	7,613,546	(16,061,208)	31,988,721	377,328,404

# Statements of Changes in Equity

For the Financial Year Ended 31 December 2024 (Continued)

Company	Note	Attributable to equity holders of the Company					Total equity RM
		Share capital RM	Warrant reserve RM	Share based payment reserve RM	Capital contribution reserve RM	Accumulated losses RM	
At 1 January 2024		317,941,247	32,725,739	39,163	7,613,546	(20,881,461)	337,438,234
Total comprehensive income for the financial year		-	-	-	-	(6,411,844)	(6,411,844)
<u>Transactions with shareholders</u>							
Issuance of ordinary shares for settlement of fixed rate term loans	25	49,566,604	-	-	-	-	49,566,604
Employees' Share Grant Plan and Employees' Share Option Scheme ("ESOS")	9	-	-	171,428	72,050	-	243,478
Share options lapsed	9	-	-	(46,515)	-	-	(46,515)
Issuance of shares under ESOS	25	347,225	-	(164,076)	-	-	183,149
Issuance of ordinary shares for warrant exercised	25	1,128,820	(262,516)	-	-	-	866,304
At 31 December 2024		368,983,896	32,463,223	-	7,685,596	(27,293,305)	381,839,410

# Statements of Changes in Equity

For the Financial Year Ended 31 December 2024 (Continued)

	Note	Attributable to equity holders of the Company					Total equity RM
		Share capital RM	Warrant reserve RM	Share based payment reserve RM	Capital contribution reserve RM	Accumulated losses RM	
<b>Company</b>							
At 1 January 2023		1,147,277,391	32,725,839	123,664	6,420,484	(850,886,945)	335,660,433
Total comprehensive income for the financial year		-	-	-	-	27,087,358	27,087,358
<u>Transactions with shareholders</u>							
Employees' Share Grant Plan and Employees' Share Option Scheme	9	-	-	340,939	1,069,398	-	1,410,337
Issuance of shares under ESOS	25	663,426	-	(301,776)	-	-	361,650
Dividends	14	-	-	-	-	(27,081,874)	(27,081,874)
Capital reduction	25	(830,000,000)	-	-	-	830,000,000	-
Issuance of ordinary shares for warrant exercised	25	430	(100)	-	-	-	330
Reclassification from share based payment reserve to capital contribution		-	-	(123,664)	123,664	-	-
At 31 December 2023		317,941,247	32,725,739	39,163	7,613,546	(20,881,461)	337,438,234

The notes set out on pages 172 to 255 form an integral part of these financial statements.

# Statements of Cash Flows

For the Financial Year Ended 31 December 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit/(Loss) before taxation		32,624,206	12,785,867	(6,105,023)	27,087,358
Adjustments for:					
Depreciation of property, plant and equipment		58,893,758	54,602,943	-	-
Depreciation of right-of-use assets		407,647	555,619	-	-
Finance costs		10,290,963	20,699,798	-	-
Fair value gain on debt settlement		(2,428,132)	-	-	-
Dividend income		-	-	-	(29,075,142)
Interest income		(923,995)	(1,365,345)	(211,399)	(921,222)
Impairment loss on vessels		51,809,786	3,179,158	-	-
Reversal of impairment on vessels		(50,180,000)	(15,341,464)	-	-
Impairment/(Reversal of impairment) of receivables (net)		930,783	(23,348)	-	-
Unrealised loss/(gain) on foreign exchange		2,296,826	(4,356,014)	1,033	-
Share-based payment expense		196,963	1,410,337	196,963	1,410,337
Gain on disposal of property, plant and equipment		(3,201)	(649,861)	-	-
Loss from dilution of shareholding in a subsidiary		-	-	1,202,331	-
Operating profit/(loss) before working capital changes		103,915,604	71,497,690	(4,916,095)	(1,498,669)
Changes in working capital:					
Inventories		2,357,440	(1,531,932)	-	-
Receivables		(52,071,691)	8,136,289	114,741	(50,641)
Payables		11,908,175	12,164,777	5,403,785	3,698,722
Subsidiaries balances		-	-	(13,427,121)	(4,136,894)
Cash generated from/(used in) operations		66,109,528	90,266,824	(12,824,690)	(1,987,482)
Tax paid		(3,136,056)	(1,762,843)	(329,180)	-
Tax refund		16,299	1,248,941	398	13,367
Operating cash flow generated from/ (used in) continuing operations		62,989,771	89,752,922	(13,153,472)	(1,974,115)
Operating cash flow used in discontinued operations	12	-	(8,514,398)	-	-
Net cash flow from operating activities		62,989,771	81,238,524	(13,153,472)	(1,974,115)



# Statements of Cash Flows

For the Financial Year Ended 31 December 2024 (Continued)

	Group		Company	
Note	<u>2024</u> RM	<u>2023</u> RM	<u>2024</u> RM	<u>2023</u> RM
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from disposal of				
- asset held for sale	12,213,238	2,264,500	-	-
- property, plant and equipment	9,200	1,250,000	-	-
Purchase of property, plant and equipment	(56,627,477)	(23,193,086)	-	-
Interest received	923,995	1,365,345	211,399	921,222
Decrease/(Increase) in deposits and bank balances pledged as security	21,424,768	(4,964,477)	-	-
Advances to subsidiaries	-	-	(9,000,000)	-
Investing cash flow (used in) /generated from continuing operations	(22,056,276)	(23,277,718)	(8,788,601)	921,222
Net cash flow from investing activities	(22,056,276)	(23,277,718)	(8,788,601)	921,222
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from issuance of shares	183,149	361,650	183,149	361,650
Proceeds from exercise of warrants	866,304	330	866,304	330
Repayment of lease liabilities	(493,674)	(622,706)	-	-
Repayment of borrowings	(35,899,696)	(48,416,912)	-	-
Interest paid	(9,893,632)	(10,380,495)	-	-
Proceeds from dilution of shareholding in a subsidiary	2,280,000	-	2,280,000	-
Advances from subsidiaries	-	-	-	35,000,000
Advances to subsidiaries	-	-	-	(2,907,990)
Dividend paid	(27,081,874)*	-	(6,000,000)	-
Dividend paid to non-controlling interest	(4,500,000)	(3,867,413)	-	-
Financing cash flow (used in)/ generated from continuing operations	(74,539,423)	(62,925,546)	(2,670,547)	32,453,990
Net cash flow from financing activities	(74,539,423)	(62,925,546)	(2,670,547)	32,453,990

\*Dividend amounting to RM21,081,874 was paid on behalf of the Company by a subsidiary of the Group.

# Statements of Cash Flows

For the Financial Year Ended 31 December 2024 (Continued)

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Effects of changes in foreign exchange rate		(769,612)	(1,108,981)	-	-
<b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS</b>		(34,375,540)	(6,073,721)	(24,612,620)	31,401,097
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>		79,631,583	85,705,304	31,414,437	13,340
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	21	45,256,043	79,631,583	6,801,817	31,414,437
Cash and cash equivalents	21	45,256,043	79,631,583	6,801,817	31,414,437
Deposits and bank balances pledged as security	21	46,301,780	67,726,548	-	-
Cash and bank balances	21	91,557,823	147,358,131	6,801,817	31,414,437

Notes:

(a) Purchase of property, plant and equipment during the year were by way of:

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
- Cash		56,627,477	23,193,086	-	-
- Other payable	16	5,492,300	1,817,262	-	-
		62,119,777	25,010,348	-	-

(b) Material non-cash transactions with related parties are disclosed in Note 29.

The notes set out on pages 172 to 255 form an integral part of these financial statements.

# Statements of Cash Flows

For the Financial Year Ended 31 December 2024 (Continued)

## Reconciliation of liabilities arising from financing activities

The table below show details changes in the Group's liabilities arising from financing activities for which cash flows were, or future cash flows will be, classified in the Group's cash flow as cash flows from financing activities.

	<b>Lease Liabilities (Note 19) RM</b>	<b>Borrowings (Note 24) RM</b>	<b>Redeemable preference shares (Note 24) RM</b>
<b>Group</b>			
At 1 January 2024	554,937	238,328,251	10,467,408
<u>Financing cash flows</u>			
Repayment of lease liabilities	(493,674)	-	-
Repayment of borrowings	-	(35,899,696)	-
Interest paid	-	(9,893,632)	-
<u>Non-cash changes</u>			
Currency translation reserve	-	-	(569,214)
Additional lease liabilities during the financial year	142,795	-	-
Debt settlement via issuance of shares	-	(49,566,604)	-
Fair value gain on debt settlement	-	(2,428,132)	-
Finance costs for the financial year (Note 7)	5,272	10,285,691	-
At 31 December 2024	209,330	150,825,878	9,898,194

	<b>Lease Liabilities (Note 19) RM</b>	<b>Borrowings (Note 24) RM</b>	<b>Redeemable preference shares (Note 24) RM</b>
<b>Group</b>			
At 1 January 2023	1,083,382	276,473,757	9,851,466
<u>Financing cash flows</u>			
Repayment of lease liabilities	(622,706)	-	-
Repayment of borrowings	-	(48,416,912)	-
Interest paid	-	(10,380,495)	-
<u>Non-cash changes</u>			
Currency translation reserve	-	-	615,942
Additional lease liabilities during the financial year	46,364	-	-
Finance costs for the financial year (Note 7)	47,897	20,651,901	-
At 31 December 2023	554,937	238,328,251	10,467,408

# Statements of Cash Flows

## For the Financial Year Ended 31 December 2024 (Continued)

### Reconciliation of liabilities arising from financing activities (continued)

The table below show details changes in the Company's liabilities arising from financing activities for which cash flows were, or future cash flows will be, classified in the Company's cash flow as cash flows from financing activities.

	<b><u>Amount due to subsidiary</u> RM</b>
<b>Company</b>	
At 1 January 2024	35,000,000
<u>Non-cash changes</u>	
Novation to amount due from subsidiaries	(35,000,000)
At 31 December 2024	-
	<b><u>Amount due to subsidiary</u> RM</b>
<b>Company</b>	
At 1 January 2023	-
<u>Financing cash flows</u>	
Advance from a subsidiary	35,000,000
At 31 December 2023	35,000,000

The notes set out on pages 172 to 255 form an integral part of these financial statements.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

## 1. GENERAL INFORMATION

The Company is a public company, incorporated and domiciled in Malaysia.

The Company had on 31 January 2025 received the Notice of Registration of New Name pursuant to Section 28 of the Companies Act 2016 dated 27 January 2025 issued by the Companies Commission of Malaysia. Accordingly, the name of the Company was changed from Icon Offshore Berhad to Lianson Fleet Group Berhad with effect from 27 January 2025. With effect from 7 February 2025, the Company's securities was traded and quoted under the new name of Lianson Fleet Group Berhad.

The Company is an investment holding company. The principal activities of the Group are vessel owning/leasing and provision of vessel chartering and ship management services to oil and gas related industries. The principal activities of subsidiaries are disclosed in Note 17 to the financial statements. There were no significant changes in the nature of these principal activities during the financial year.

Prior to 26 March 2024, the Directors regarded Hallmark Odyssey Sdn. Bhd., a company incorporated and domiciled in Malaysia, as the Company's immediate holding company, and Yayasan Ekuiti Nasional, a foundation incorporated in Malaysia, as the Company's ultimate holding foundation. On 26 March 2024, Liannex Maritime Sdn. Bhd. acquired 272,000,000 ordinary shares in the Company from Hallmark Odyssey Sdn. Bhd. via a direct business transaction. With effect from 26 March 2024, the Directors regard Liannex Maritime Sdn. Bhd., a company incorporated in Malaysia as the immediate holding company, and Liannex Corporation (S) Pte. Ltd., a company incorporated in Singapore as the ultimate holding company.

The address of the registered office of the Company is:

Level 7, Menara Milenium  
Jalan Damanlela, Pusat Bandar Damansara  
Damansara Heights  
50490 Kuala Lumpur

The address of the principal place of business of the Company is:

Suite 28.01, Level 28,  
Menara South Point,  
Mid Valley City,  
Medan Syed Putra Selatan,  
59200 Kuala Lumpur

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of financial statements are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated.

### 2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and the Company have been prepared under the historical cost convention unless otherwise indicated in the accounting policies below and are presented in Ringgit Malaysia ("RM").

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgment in the process of applying the Group and Company's accounting policies. Although these estimates and judgment are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

(a) Standards and amendments to published standards that are effective

The Group and the Company have applied the following amendments to published standards for the first time for the financial year beginning on 1 January 2024:

- Amendments to MFRS 101 'Classification of liabilities as current or non-current' and 'Non-current Liabilities with Covenants';
- Amendments to MFRS 16 'Lease Liability in a Sale and Leaseback'; and
- Amendments to MFRS 107 and MFRS 7 'Supplier Finance Arrangements'.

The adoption of the amendments to published standards listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) Standards early adopted by the Group and the Company

There are no standards early adopted by the Group and the Company.



# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.1 Basis of preparation (continued)

- (c) Amendments to published standards that have been issued but not yet effective

A number of new standards and amendments to published standards are effective for the financial year beginning after 1 January 2024. The Group and the Company have not early adopted these new standards and amendments to published standards. None of these are expected to have a significant effect on the financial statements of the Group and of the Company, except for the following set out below:

- MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) replaces MFRS 101 'Presentation of Financial Statements'.
  - The new MFRS introduces a new structure of profit or loss statement.
    - (a) Income and expenses are classified into 3 new main categories:
      - i. Operating category which typically includes results from the main business activities;
      - ii. Investing category that presents the results of investments in associates and joint ventures and other assets that generate a return largely independently of other resources; and
      - iii. Financing category that presents income and expenses from financing liabilities.
    - (b) Entities are required to present two new specified subtotals: 'Operating profit or loss' and 'Profit or loss before financing and income taxes'.
  - Management-defined performance measures are disclosed in a single note and reconciled to the most similar specified subtotal in MFRS Accounting Standards.
  - Changes to the guidance on aggregation and disaggregation which focus on grouping items based on their shared characteristics.
- Amendments to MFRS 9 and MFRS 7 'Amendments to the Classification and Measurement of Financial Instruments' (effective 1 January 2026) have:
  - require financial assets to be derecognised on the date contractual rights to cash flows expire and financial liabilities to be derecognised when obligation under the contract is discharged (i.e. the settlement date). In addition, there is an optional exception to derecognise financial liabilities before the settlement date for settlement using electronic payment systems (if specified criteria are met);
  - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
  - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
  - update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.1 Basis of preparation (continued)

- (c) Amendments to published standards that have been issued but not yet effective (continued)

A number of new standards and amendments to published standards are effective for the financial year beginning after 1 January 2024. The Group and the Company have not early adopted these new standards and amendments to published standards. None of these are expected to have a significant effect on the financial statements of the Group, except for the following set out below: (continued)

- Amendments to MFRS 9 and MFRS 7 'Contract Referencing Nature-dependent Electricity' (effective 1 January 2026) have:
  - added the buyer's application guidance on the MFRS 9 'own-use exemption' for contracts to buy and take delivery of electricity that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions e.g. the weather ('contracts referencing nature-dependent electricity'). Under the amendments, the buyer can apply the MFRS 9 'own-use exemption' to account for these contracts as executory contracts if the buyer has been, and expects to be, a 'net purchaser' of electricity for the contract period, based on the criteria set in the standard;
  - permit hedge accounting in MFRS 9 if these contracts referencing nature-dependent electricity are used as hedging instruments; and
  - add new MFRS 7 disclosure requirements to enable users to understand the effects of these contracts on an entity's financial performance and cash flows.

The following amendments to published standards are not expected to have a significant impact on the financial statements of the Group and of the Company:

- Amendments to MFRS 121 'Lack of Exchangeability'
- MFRS 19 'Subsidiaries without Public Accountability: Disclosures'
- Annual Improvements to MFRS Accounting Standards for enhanced consistency

The amendments to published standards shall be applied retrospectively.

The Group and the Company continue to assess the potential financial impact on the financial statements.

### 2.2 Basis of consolidation

- (a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.2 Basis of consolidation (continued)

#### (a) Subsidiaries (continued)

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date, any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with MFRS 9 in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Related company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

Profit or loss and each component of other comprehensive income of the subsidiaries are attributed to the parent and the non-controlling interest, even if this results in the non-controlling interest having a deficit balance.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.2 Basis of consolidation (continued)

#### (b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in equity attributable to owners of the Group.

#### (c) Disposal of subsidiaries

When the Group ceases to consolidate because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Gains or losses on the disposal of subsidiaries include the effect of de-recognising the carrying amount of goodwill relating to the subsidiaries sold.

#### (d) Joint arrangements

A joint arrangement is an arrangement of which there is contractually agreed sharing of control by the Group with one or more parties, where decisions about the relevant activities relating to the joint arrangement require unanimous consent of the parties sharing control. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement. A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the joint operators have rights to the assets and obligations for the liabilities, relating to the arrangement.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated statement of financial position. Under the equity method, the investment in a joint venture is initially recognised at cost, and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the joint venture in profit or loss, and the Group's share of movements in other comprehensive income of the joint venture in other comprehensive income. Dividends received or receivable from a joint venture are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint venture, including any long-term interests that, in substance, form part of the Group's net investment in the joint venture, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.2 Basis of consolidation (continued)

#### (d) Joint arrangements (continued)

The Group determines at each reporting date whether there is any objective evidence that the investment in the joint venture is impaired. An impairment loss is recognised for the amount by which the carrying amount of the joint venture exceeds its recoverable amount. The Group presents the impairment loss adjacent to 'share of profit/(loss) of a joint venture' in the income statement.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group ceases to equity account its joint venture because of a loss of joint control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as financial asset. In addition, any amount previously recognised in other comprehensive income in respect of the entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

### 2.3 Investments in subsidiaries and joint ventures in separate financial statements

In the Company's separate financial statements, investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses. On disposal of investments in subsidiaries and joint ventures, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

The amounts due from subsidiaries of which the Company does not expect repayment in the foreseeable future are considered as part of the Company's interest in the subsidiaries.

### 2.4 Property, plant and equipment

Property, plant and equipment are initially stated at cost. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost of an item of property, plant and equipment is determined after deducting rebates, discounts and purchase taxes except where the amount of purchase taxes incurred is not recoverable from the government. Cost also include borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (refer to accounting policy Note 2.21 on borrowing costs). All property, plant and equipment are subsequently stated at historical cost less accumulated depreciation and impairment losses.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.4 Property, plant and equipment (continued)

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged between knowledgeable willing parties in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices of similar items when available and replacement cost where appropriate.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as expenses in profit or loss during the financial year in which they are incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

Gains or losses on disposals are determined by comparing the net proceeds with the carrying amounts and are included in other income/(expenses) in profit or loss.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and which has a different useful life, is depreciated separately.

Property, plant and equipment are depreciated on the straight-line basis to allocate the cost of each asset to their residual values over their estimated useful lives, summarised as follows:

Vessels	20 - 25 years
Vessel parts	10 years
Drydocking expenditure	5 years
Motor vehicles	4 - 5 years
Office equipment	5 -10 years
Computers	5 years
Furniture and fittings	10 years
Renovation	5 years

Drydocking expenditure represents major inspection and overhaul costs and is depreciated to reflect the consumption of benefits, which are to be replaced or restored by the subsequent drydocking generally every five years. The Group has included these drydocking costs as a separate component of the vessels' costs.

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at the end of each financial year. The residual values of the vessels is based on ship demolition prices i.e. scrap value.

At the end of the financial year, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 2.5 on impairment of non-financial assets.



# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.5 Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill or intangible assets not ready to use, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal ("FVLCD") and value in use ("VIU"). For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash generating units"). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

The impairment loss is charged to profit or loss unless it reverses a previous revaluation in which case it is charged to the revaluation surplus reserve. Impairment losses on goodwill are not reversed. In respect of other assets, any subsequent increase in recoverable amount is recognised in profit or loss unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation surplus reserve.

### 2.6 Assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as assets held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of comprehensive income.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.7 Leases

#### Accounting by lessee

Leases are recognised as right-of-use ("ROU") asset and a corresponding liability at the date on which the leased asset is available for use by the Group (i.e. the commencement date).

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of properties for which the Group is a lessee, it has elected the practical expedient provided in MFRS 16 not to separate lease and non-lease components. Both components are accounted for as a single lease component and payments for both components are included in the measurement of lease liability.

#### a) Lease term

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The Group reassesses the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and affects whether the Group is reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities. See accounting policy below on reassessment of lease liabilities.

#### b) ROU assets

ROU assets are initially measured at cost comprising the following:

- (i) The amount of the initial measurement of lease liability;
- (ii) Any lease payments made at or before the commencement date less any lease incentive received;
- (iii) Any initial direct costs; and
- (iv) Decommissioning or restoration costs.

ROU assets that are not investment properties are subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.7 Leases (continued)

#### Accounting by lessee (continued)

#### c) Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

- (i) Fixed payments (including in-substance fixed payments), less any lease incentive receivable;
- (ii) Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- (iii) Amounts expected to be payable by the Group under residual value guarantees;
- (iv) The exercise price of a purchase options if the Group is reasonably certain to exercise that option; and
- (v) Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

The Group presents the lease liabilities as a separate line item in the statement of financial position. Interest expense on the lease liability is presented within the finance cost in profit or loss in the statement of comprehensive income.

#### d) Short-term leases and leases of low value assets

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture. Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

#### Accounting by lessor

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.7 Leases (continued)

#### Operating leases

The Group classifies a lease as an operating lease if the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group recognises lease payments received under operating lease as lease income on a straight-line basis over the lease term.

When assets are leased out under an operating lease, the asset is included in the statement of financial position based on the nature of the asset. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of underlying asset and recognised as an expense over the lease term on the same basis as lease income.

### 2.8 Cash and cash equivalents

For the purpose of the statement of cash flows, cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash and cash equivalents comprise cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.9 Financial assets

#### (a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured at amortised cost.

#### (b) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

#### (c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest ("SPPI").

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.9 Financial assets (continued)

#### (d) Subsequent measurement - Impairment

##### *Impairment for debt instruments and financial guarantee contracts*

The Group assesses on a forward-looking basis the expected credit loss ("ECL") associated with its debt instruments carried at amortised cost and at FVOCI and financial guarantee contracts issued. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, there are no identified impairment loss.

ECL represents a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Group expects to receive, over the remaining life of the financial instrument.

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

##### Simplified approach for trade receivables

The Group applies the MFRS 9 simplified approach to measure ECL which uses a lifetime ECL for all trade receivables.

##### *Significant increase in credit risk*

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each financial year. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.



# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.9 Financial assets (continued)

(d) Subsequent measurement – Impairment (continued)

Simplified approach for trade receivables (continued)

*Significant increase in credit risk (continued)*

The following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- actual or expected significant changes in the operating results of the debtor
- significant increases in credit risk on other financial instruments of the same debtor
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtor in the Group and changes in the operating results of the debtor.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

*Definition of default and credit-impaired financial assets*

The Group defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when counterparty fails to make contractual payment more than 90 days after they fall due and the debtor is insolvent or has significant financial difficulties. Financial instruments that are credit-impaired are assessed on individual basis.

*Groupings of instruments for ECL measured on collective basis*

(i) Collective assessment

To measure ECL, trade receivables arising from chartering and hiring of vessels have been grouped based on shared credit risk and the days past due. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

(ii) Individual assessment

Trade receivables which are in default or credit-impaired are assessed individually.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.9 Financial assets (continued)

#### (d) Subsequent measurement – Impairment (continued)

##### *Write-off*

#### (i) Trade receivables

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 1 year past due.

Impairment losses on trade receivables is presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

#### (ii) Other receivables

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group may write-off financial assets that are still subject to enforcement activity. There are no outstanding contractual amount of such assets written off during the financial year. Subsequent recoveries of amounts previously written off will result in impairment gains.

### 2.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.11 Current and deferred income tax

Tax expense for the financial year comprises current and deferred income tax. The income tax expense or credit for the financial year is the tax payable on the current financial year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the financial year in the countries where the Company, the Group's subsidiaries and joint ventures operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. This liability is measured using the single best estimate of the most likely outcome.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

Deferred tax liability is recognised for all taxable temporary differences associated with investments in subsidiaries and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the investor and joint venturer and it is probable that the temporary difference will not reverse in the foreseeable future. Generally, the investor and joint venturer are unable to control the reversal of the temporary difference for subsidiaries and joint ventures. Only where there is an agreement in place that gives the parent and joint venturer the ability to control the reversal of the temporary difference, a deferred tax liability is not recognised.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.11 Current and deferred income tax (continued)

Deferred tax assets are recognised on deductible temporary differences arising from investments in subsidiaries and joint ventures only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the deductible temporary difference can be utilised.

Deferred and income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

### 2.12 Provisions

Provisions are recognised when the Group and the Company have a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Where the Group and the Company expect a provision to be reimbursed by another party, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as finance cost expense.

### 2.13 Financial guarantee contracts

Financial guarantee contracts are subsequently measured at the higher of the amount determined in accordance with the expected credit loss model under MFRS 9 'Financial instruments' and the amount initially recognised less cumulative amount of income recognised in accordance with the principles of MFRS 15 'Revenue from Contracts with Customers', where appropriate.

### 2.14 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.14 Borrowings (continued)

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised as finance cost in profit or loss.

Borrowings are derecognised when the obligation specified in the contract is extinguished, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless, at the end of the reporting period, the group has a right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the group is required to comply with after the reporting period do not affect the classification at the reporting date.

### 2.15 Employee benefits

#### (a) Short-term employee benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the financial year in which the employees render the related service are recognised in respect of employees' services up to the end of the financial year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as other payables in the statement of financial position.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.15 Employee benefits (continued)

#### (b) Defined contribution plan

The Group and the Company make contributions to the Employees Provident Fund ("EPF") as required by law in Malaysia, which are charged to profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### (c) Termination benefits

Termination benefits are payable when employment is terminated by the Group and the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group and the Company recognise termination benefits at the earlier of the following dates: (a) when the Group and the Company can no longer withdraw the offer of those benefits; and (b) when the Group and the Company recognise costs for a restructuring that is within the scope of MFRS 137 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the financial year are discounted to their present value.

#### (d) Bonus plans

The Group and the Company recognise a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Group and the Company's shareholders after certain adjustments. The Group and the Company recognise a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### 2.16 Share capital

#### (a) Classification

Ordinary shares are classified as equity.

#### (b) Share issue costs

Incremental costs directly attributable to the issue of new shares or options are deducted from equity, net of any related income tax benefit.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.16 Share capital (continued)

#### (c) Dividend distribution

A liability is recognised for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group and the Company, on or before the end of the financial year but not distributed at the end of the financial year.

Distributions to holders of an equity instrument are recognised directly in equity.

#### (d) Earnings per share

##### Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares; and
- the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year and excluding treasury shares.

##### Diluted earnings per share

Diluted earnings per share adjusts the figures in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

### 2.17 Trade payables

Trade payables represent liabilities for goods or services provided to the Group and the Company prior to the end of the financial year which are unpaid. Trade payables are classified as current liabilities unless payment is not due within 12 months after the financial year. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value net of transaction costs incurred, which include transfer taxes and duties.

Trade payables are subsequently measured at amortised cost using the effective interest method.



# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.18 Foreign currencies

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RM, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the financial year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. However, exchange differences are deferred in other comprehensive income when they are attributable to items that form part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in profit or loss within finance income or cost. All other foreign exchange gains and losses are presented in profit or loss on a net basis within administrative expenses.

(c) Group companies

The results and financial position of one of the Company's subsidiaries (none of which has the currency of a hyperinflationary economy) that has a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of comprehensive income presented are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of other comprehensive income.

Goodwill and fair value adjustments arising on the acquisitions of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.18 Foreign currencies (continued)

#### (c) Group companies (continued)

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences relating to that foreign operation recognised in other comprehensive income and accumulated in the separate component of equity are reclassified to profit or loss, as part of the gain or loss on disposal. In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss.

### 2.19 Revenue from contracts with customers

Revenue from contracts with customers is recognised by reference to each distinct promise of goods and services (a performance obligation) in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. When the standalone selling prices are not directly observable, they are estimated based on expected cost-plus margin. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

#### Charter hire of vessels

The Group provides vessels and associated services to customers at the request of the customer. Provision of vessels and associated services is a single performance obligation. Revenue from chartering and hiring of vessels is recognised over the period based on time lapsed method, determined based on the actual time lapsed relative to the total services period. There is no element of financing contained in the revenue as sales are generally made with a standard credit terms which is consistent with market practises unless otherwise as applicable and disclosed in the financial statements. Accrued income is recognised within trade receivables when the services have been rendered but billings are pending to be made as at the financial year end.

For income from the hire of third party vessels, it is assessed whether the Group is acting as a principal or an agent. Where it has been assessed that the Group is acting as an agent, income is recognised net of charter costs.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.19 Revenue from contracts with customers (continued)

#### Meals and backcharges to charterers

Meals and backcharges to charterers are recognised when services are rendered.

No element of financing is deemed present as the transactions are made within the agreed credit term.

#### Revenue from other sources

Operating lease income is recognised over the term of the lease using the net investment method to reflect a constant periodic rate of return.

Dividend income is recognised when the right to receive payment is established.

Management fee income is recognised when services are rendered.

### 2.20 Other income

#### Interest income

The Group and the Company earn interest income from deposits placed with licensed banks. Interest income is recognised using the effective interest method.

#### Insurance recovery

Income from insurance recovery is recognised in profit or loss on the date that the Group or the Company have right to receive payment.

#### Miscellaneous other income

Miscellaneous other income consist of non-operational related reimbursable cost. These are recognised in the profit or loss on the date that the right to receive payment is established.

### 2.21 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale, after which such expense is charged to profit or loss. Capitalisation of borrowing cost is suspended during extended periods in which active development is interrupted.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the financial year in which they are incurred.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.22 Prepayments

Prepayments are amounts paid in advance for services and goods yet to be received. Prepayments are recognised as an expenses in profit or loss when the services and goods are subsequently received.

### 2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the Group's Board of Directors and Managing Director that make strategic decisions.

### 2.24 Contingent liability and assets

The Group does not recognise contingent assets and liabilities other than those arising from business combinations, but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare case where there is a liability that cannot be recognised because it cannot be measured reliably. However, contingent liabilities do not include financial guarantee contracts. A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

### 2.25 Share based payments

The Group operates a number of equity-settled, share-based compensation plans under which the entity receives services from employees as consideration for equity instruments (options) of the Company.

#### (a) Employees' share options

The fair value of the options granted in exchange for the services of the employees are recognised as employee benefit expense with a corresponding increase to share based payment reserve within equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, vessels utilisation targets and remaining as an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holding of shares for a specific period of time).

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.25 Share based payments (continued)

#### (a) Employees' share options (continued)

Non-market vesting conditions and service conditions are included in assumptions about the number of options that are expected to vest.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of the financial year, the Company revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to share based payment reserve in equity.

In circumstances where employees provide services in advance of the grant date, the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised. When options are not exercised and lapsed, the share based payment reserve is transferred to retained earnings.

In its separate financial statements of the Company, the grant by the Company of options over its equity instruments to the employees of a subsidiary in the Group is treated as a capital contribution to the subsidiary. The fair value of options granted to employees of the subsidiary in exchange for the services of the employees to the subsidiary are recognised as investments in subsidiaries, with a corresponding credit to equity of the Company.

#### (b) Employees' share grants

The fair value of the employees' share grants granted to employees for nil consideration under the short-term incentive scheme is recognised as an expense over the relevant service period, being the financial year to which the bonus relates and the vesting period of the shares. The fair value is measured at the grant date of the shares and is recognised in equity in the share-based payment reserve. The number of shares expected to vest is estimated based on the non-market vesting conditions. The estimates are revised at the end of each financial year and adjustments are recognised in profit or loss and the share based payment reserve.

Where shares are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such shares are reversed effectively on the date of the forfeiture.

The shares to be granted under the employees' share grants are existing shares which were held by the Company's related company, Sempena Fokus Sdn. Bhd., and transferred to the Employee Share Trust on the grant date and are held by the trust until such time as they are vested.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal to the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

### Key assumptions and sources of estimation uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty at the end of the financial year that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### (i) Impairment and reversal of impairment of vessels

The Group reviews its vessels for impairment and possible reversal of impairment in accordance with its accounting policy in Note 2.5. The recoverable amounts of the vessels have been determined based on the higher of their FVL COD and their VIU.

In cases where FVL COD is used to determine the recoverable amount of cash-generating units ("CGUs"), valuations were performed by an independent valuer using the market comparable approach which reflects recent market transactions of similar vessels of similar age and specifications. The independent valuer had taken into consideration the prevailing market conditions and adjusted for differences such as age, timing of drydocking and specifications where necessary before arriving at the most appropriate fair value for the vessels. Costs of disposal were determined at 5% of fair value of vessels and reflects management's expectations based on experience with disposal of assets and industry benchmarks.

For VIU calculations, future cash flows are based on contracted cash flows and estimates of uncontracted cash flows for the remaining useful lives of each CGU, including residual values discounted by an appropriate discount rate. Significant judgement is required in the estimation of the present value of future cash flows generated by the CGUs, which involve uncertainties and are significantly affected by assumptions used and judgement made regarding estimates of future cash flows and discount rates. Key assumptions used in the VIU calculations are disclosed in Note 16.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2024 (Continued)

## 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

### Key assumptions and sources of estimation uncertainty (continued)

#### (ii) Impairment of investments in subsidiaries

The Group tests investments in subsidiaries for impairment in accordance with its accounting policy in Note 2.5. The recoverable amounts of subsidiaries have been determined based on VIUs.

VIUs of subsidiaries are determined based on the present value of the dividend cash flows expected from these subsidiaries, estimated based on the present value of cash flows generated from the underlying assets of these subsidiaries, net of tax payments and financing cash flows. Significant judgement is required in the estimation of the present value of future cash flows generated by the subsidiaries. Key assumptions used in VIU calculations are disclosed in Note 17. The Group also assessed the recoverability of the amounts due from subsidiaries. The expected credit loss cashflows have been determined based on expected timing of collections and ability of the respective subsidiaries to generate sufficient future cashflows based on key assumptions consistent with vessel impairment assessment as disclosed in Note 16.

#### (iii) Impairment of receivables

The loss allowance for trade receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of the financial year. Details of key assumptions and inputs used are disclosed in Note 4(i).