



ECOSCIENCE INTERNATIONAL BERHAD
202001024633 (1380953-M)



ANNUAL REPORT
2025

5th

ANNUAL GENERAL MEETING

(Physical meeting)



25 MAY 2026

2.30 p.m.



Pendeta 123,
Palm Resort Golf &
Country Club,
Jalan Persiaran Golf,
Off Jalan Jumbo,
81250 Senai, Johor

WHAT'S INSIDE

SECTION

01 OVERVIEW

- p.02 About Us
- p.04 Corporate Information
- p.05 Corporate Structure

SECTION

02 HIGHLIGHTS

- p.06 Financial Highlights

SECTION

03 LEADERSHIP

- p.08 Profile of Directors
- p.14 Profile of Key Senior Management

SECTION

04

KEY MESSAGES

p.16	Chairman's Statement
p.19	Management Discussion and Analysis
p.25	Sustainability Statement

SECTION

05

GOVERNANCE

p.48	Corporate Governance Overview Statement
p.62	Audit and Risk Management Committee Report
p.65	Statement on Risk Management and Internal Control
p.69	Directors' Responsibility Statement

SECTION

06

FINANCIAL STATEMENTS

p.71	Directors' Report
p.76	Statement by Directors
p.76	Statutory Declaration
p.77	Independent Auditors' Report
p.81	Statements of Financial Position
p.83	Statements of Profit or Loss and Other Comprehensive Income
p.84	Statements of Changes in Equity
p.85	Statements of Cash Flows
p.88	Notes to the Financial Statements

SECTION

07

ADDITIONAL INFORMATION

p.149	Additional Compliance Information
p.152	List of Properties
p.153	Analysis of Shareholdings
p.156	Analysis of Warrant Holdings
p.158	Notice of 5th Annual General Meeting
p.162	Administrative Guide
	Proxy Form



ABOUT US

WHO WE ARE

We are a **one-stop solution provider** for the **construction of palm oil mills and supporting facilities, and fabrication of equipment.**

Our core activities are in the construction of plants, which are mainly palm oil mills and facilities supported by our in-house fabrication of equipment.

Other complementary activities include supply of materials and equipment, spare parts and provision of maintenance services.



ABOUT US
(CONT'D)

OUR VISION



We construct facilities that facilitate the supply chain of the all-around palm oil commodity.

OUR MISSION

To provide the most efficient and trustworthy services to our valued customers through the continuous expansion of our facilities to meet the customer demands, providing regular skill set training for our workforce, engaging in research and development and the utilization of information technology to meet the growing needs of the industry in compliance with regulatory and statutory standards for safe and reliable fabrication of our products.



OUR CORE VALUES

E

Excellence

We are committed to achieving consistent excellence

M

Meaningful Work

We understand the impact of our work on the greater society

E

Evolving

We are constantly innovating to maximise the efficiency of our clients



CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Tan Yee Boon

Independent
Non-Executive Chairman

Wong Choi Ong

Non-Independent Executive
Director/Managing Director

Thing Jin Suan

Non-Independent
Executive Director

Law Sang Thiam

Independent
Non-Executive Director

Ang Chye Kian

Independent
Non-Executive Director

Shu Ling Ling

Independent
Non-Executive Director
(Appointed on 3 June 2025)

AUDIT AND RISK MANAGEMENT COMMITTEE

Chairman

Law Sang Thiam

Members

Ang Chye Kian
Shu Ling Ling

NOMINATION COMMITTEE

Chairperson

Shu Ling Ling

Members

Law Sang Thiam
Ang Chye Kian

REMUNERATION COMMITTEE

Chairperson

Ang Chye Kian

Members

Shu Ling Ling
Law Sang Thiam

COMPANY SECRETARIES

Tea Sor Hua

(MACS 01324)
(SSM PC No.: 201908001272)

Lee Xiang Yee

(MAICSA 7068124)
(SSM PC No.: 202408000069)

REGISTERED OFFICE

Third Floor, No. 77, 79 & 81
Jalan SS21/60, Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan
Tel : +603-7725 1777
Email : info@cospec.com.my

AUDITORS

TGS TW PLT

(202106000004 (LLP0026851-LCA)
& AF002345)
Unit E-16-2B
Level 16, ICON Tower (East)
No.1, Jalan 1/68F, Jalan Tun Razak
50400 Kuala Lumpur
Tel : +603-9771 4326
Fax : +603-9771 4327

SHARE REGISTRAR

Symphony Corporate Services
Sdn. Bhd.
S-4-04, The Gamuda Biz Suites
Jalan Anggerik Vanilla 31/99
Kota Kemuning
40460 Shah Alam
Selangor

Tel : +6016-439 7718
Fax : +603-5131 9134

Email :

symphonycorporateservices@gmail.com

HEAD OFFICE

PLO 555, Jalan Keluli 8
Pasir Gudang Industrial Estate
81700 Pasir Gudang
Johor
Tel : +607-255 3126
Fax : +607-255 4558
Website : www.ecosciencegroup.com
E-mail : admin@ecoscience.com.my

PRINCIPAL BANKERS

United Overseas Bank (Malaysia)
Berhad

STOCK EXCHANGE LISTING

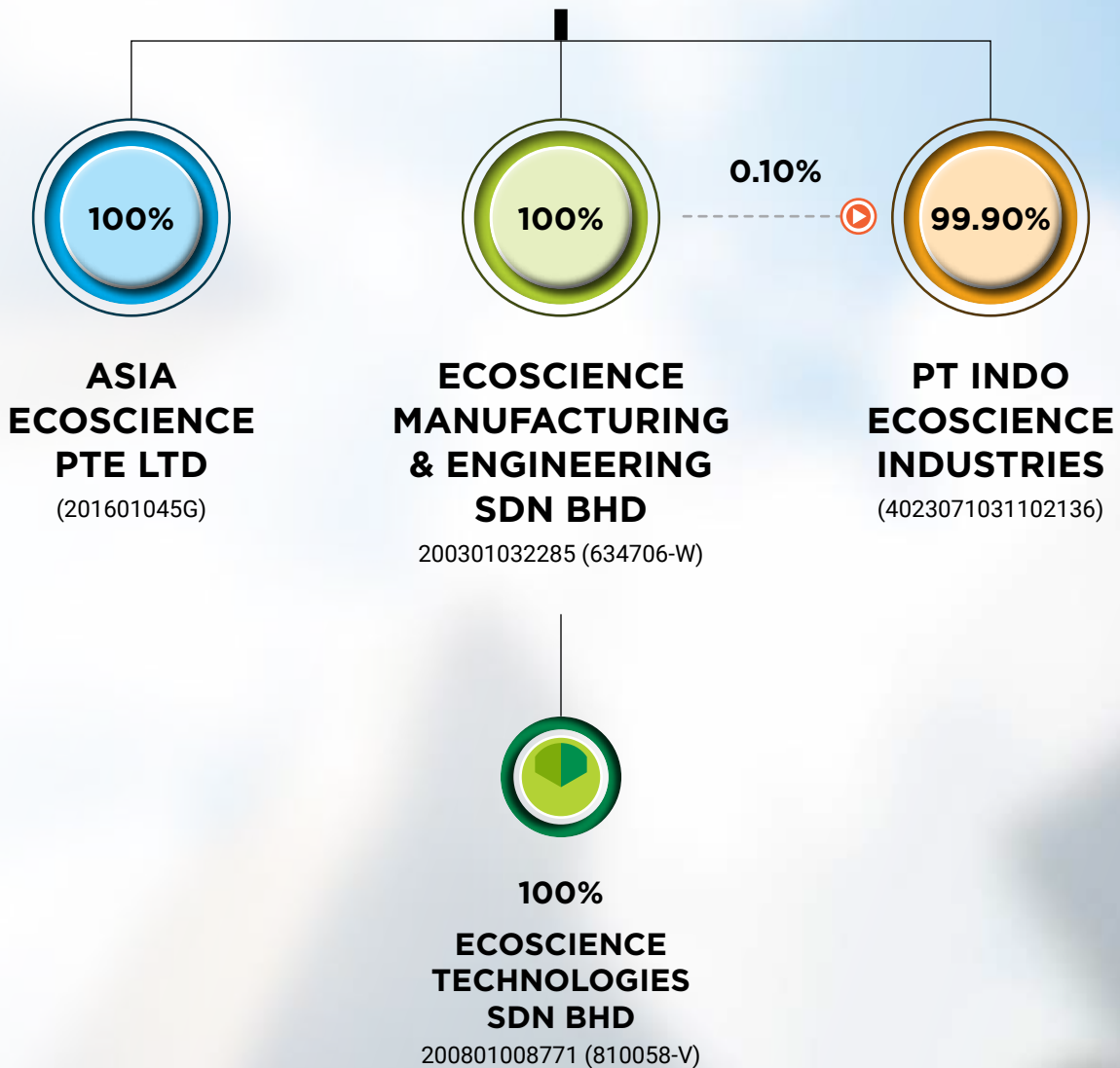
ACE Market of the Bursa Malaysia
Securities Berhad
Stock Name : EIB
Stock Code : 0255

CORPORATE STRUCTURE



ECOSCIENCE INTERNATIONAL BERHAD

202001024633 (1380953-M)



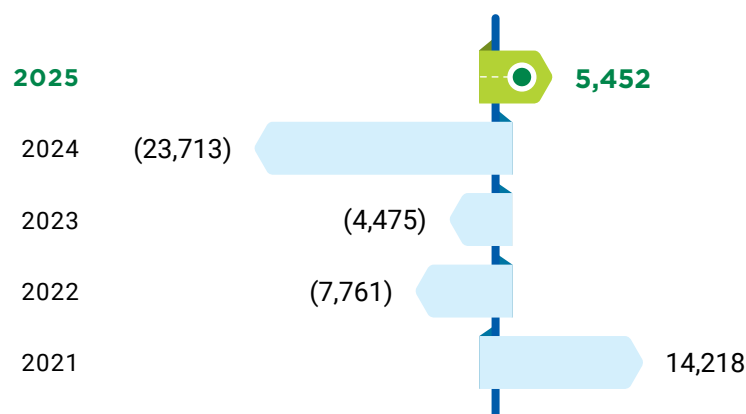
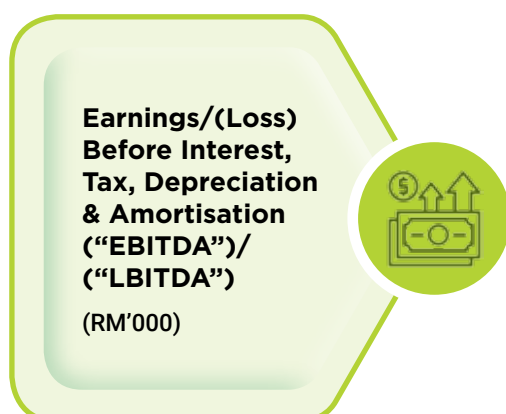
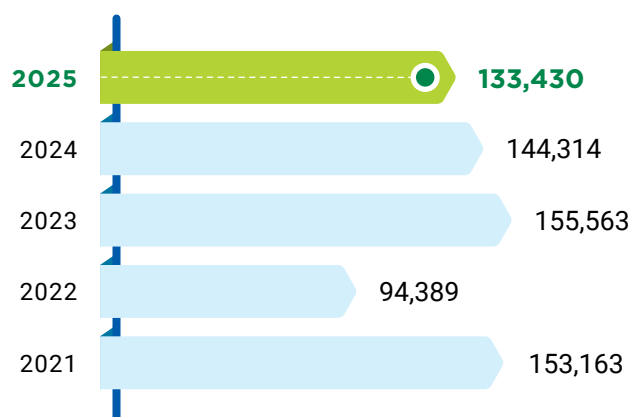
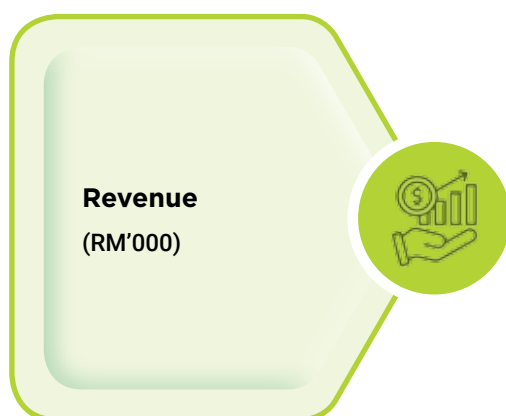
FINANCIAL HIGHLIGHTS

		FY2025	FY2024	FY2023	FY2022	FY2021
Revenue	(RM'000)	133,430	144,314	155,563	94,389	153,163
Earnings/(Loss) Before Interest, Tax, Depreciation & Amortisation ("EBITDA")/("LBITDA")	(RM'000)	5,452	(23,713)	(4,475)	(7,761)	14,218
Profit/(Loss) Before Tax ("PBT")/("LBT")	(RM'000)	831	(27,945)	(8,486)	(10,959)	11,075
Profit/(Loss) After Tax ("PAT")/("LAT")	(RM'000)	1,398	(27,112)	(9,818)	(9,390)	8,070
PBT/(LBT) Margin ⁽¹⁾	(%)	0.6	(19.4)	(5.5)	(11.6)	7.2
PAT/(LAT) Margin ⁽²⁾	(%)	1.0	(18.8)	(6.3)	(9.9)	5.3

Notes:

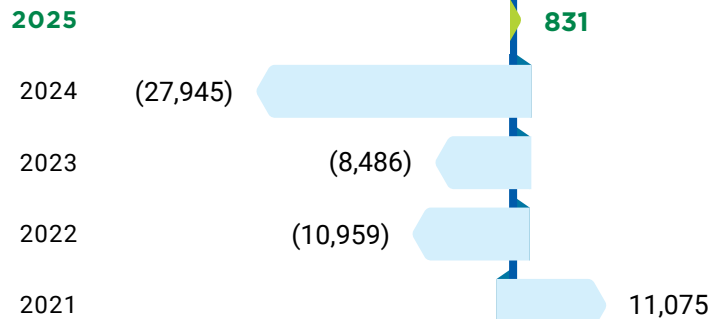
(1) Computed as PBT/LBT divided by revenue.

(2) Computed as PAT/LAT divided by revenue.

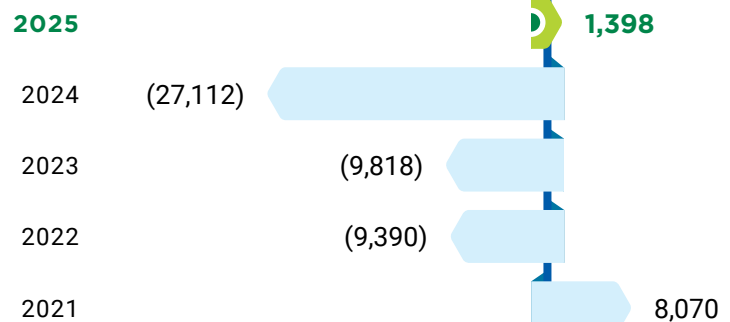


FINANCIAL HIGHLIGHTS (CONT'D)

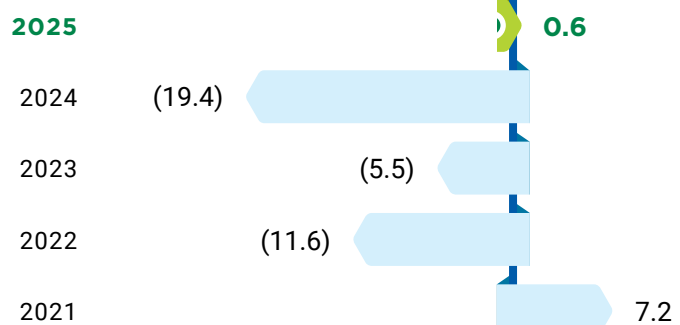
Profit/(Loss) Before Tax ("PBT")/("LBT")
(RM'000)



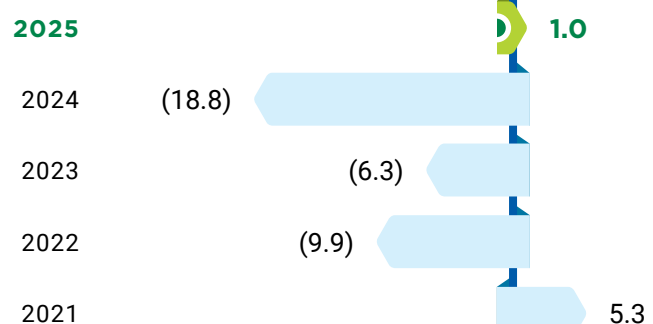
Profit/(Loss) After Tax ("PAT")/("LAT")
(RM'000)



PBT/(LBT) Margin
(%)



PAT/(LAT) Margin
(RM'000)



PROFILE OF DIRECTORS



DATO' TAN YEE BOON

Independent Non-Executive Chairman

Nationality



Dato' Tan Yee Boon, a Malaysian, male, aged 51, is our Independent Non-Executive Chairman. He was appointed to our Board on 2 August 2021.

He obtained his Bachelor of Laws from the University of Glamorgan (now known as the University of South Wales), United Kingdom, in 1997. He subsequently obtained the Certificate of Legal Practice from the Legal Profession Qualifying Board of Malaysia in 1998.

In 1998, he began his career with Cheang & Ariff as a Chambering Student and was admitted as an advocate and solicitor of the High Court in 1999. In the same year, he joined Ranjit Ooi & Robert Low as a Legal Assistant. He subsequently joined Khaw & Partners as a Legal Assistant in 2000, and was made a Partner of the firm in 2011. In 2013, he left the firm and started his own legal practice, David Lai & Tan, where he is currently the Partner of the firm.

Gender



He sits on the board of directors of public companies in Malaysia and Hong Kong including TIL Enviro Limited (since 2018), which is listed on the Main Board of the Stock Exchange of Hong Kong. He is also an Independent Non-Executive Deputy Chairman of Propel Global Berhad (since 2022), which is listed on the Main Market of Bursa Malaysia Securities Berhad, and an Independent Non-Executive Director of Feytech Holdings Berhad (since 2023).

Aged

51

He attended four (4) out of five (5) Board of Directors' meetings held during the financial year ended 31 December 2025.

PROFILE OF DIRECTORS (CONT'D)

WONG CHOI ONG

Non-Independent Executive Director/
Managing Director

Nationality



Wong Choi Ong ("Mr. Wong"), a Malaysian, male, aged 62, is our Non-Independent Executive Director / Managing Director. He is one of the founders of our Group. He was appointed to our Board on 21 August 2020.

Mr. Wong attended Sekolah Menengah Batu Anam in Segamat, Johor from 1978 to 1981. He brings with him approximately 40 years of working experience, of which approximately 30 years were in the construction of palm oil mills and facilities.

Gender



He started his career with Ladang Dunlop Estate rubber plantation, where he was a general worker between 1983 and 1984. He subsequently established Wee Lip Welding Works in 1985 in partnership with his friend. Wee Lip Welding Works was involved in the manufacturing of welded metal doors and windows, and he left the partnership in 1990. Subsequently, he joined Pembina Progressive Jaya which was involved in the fabrication of storage tanks and palm oil refinery plant fabrication and erection, in 1991 as a partner and he left the partnership in 1993.

Aged

62

In 1994, he worked as an in-house contractor for Mascot Engineering & Construction Sdn. Bhd. where he was involved in the fabrication and installation of palm oil equipment until 2002. In early 2003, he started to carry out sub-contract work for the fabrication and installation of palm oil equipment for MSHK Engineering Sdn. Bhd. and at the same time he incorporated Lajumax Sdn. Bhd. in May 2003 where he is one of the co-founders to carry out business as a fabrication and installation sub-contractor. Lajumax Sdn. Bhd. was subsequently dissolved in November 2008 as Mr Wong wanted to focus on growing the business of Ecoscience Manufacturing & Engineering Sdn. Bhd. ("EMESB").

In November 2003, he established EMESB together with Tia Tuan Sim, our Operational and Technical Director. Over the years, he has been instrumental in the growth and development of our Group. He has contributed significantly in penetrating foreign markets including the expansion into Indonesia, Gabon and Liberia. He is responsible for driving the future direction of our Group, development of business strategies and business opportunities, marketing as well as building and maintaining business relationships with our customers. He assumed his current position as our Managing Director on 20 August 2021.

Save for his directorship of the Company, he does not hold any other directorship in public companies and listed corporations in Malaysia.

He attended all five (5) Board of Directors' meeting held during the financial year ended 31 December 2025.

PROFILE OF DIRECTORS (CONT'D)



THING JIN SUAN

Non-Independent Executive Director

Nationality



Thing Jin Suan ("Mr Thing"), a Malaysian, male, aged 43, is our Non-Independent Executive Director. He was appointed to our Board on 1 January 2025.

Mr. Thing has served as a Business Development Director of the Company since 1 August 2021. He is responsible for formulating and implementing the Group's growth strategies, driving business development initiatives, and overseeing sales and marketing operations.

Mr. Thing graduated with a Bachelor of Chemical Engineering from the University of Sheffield, United Kingdom, in 2005, and subsequently completed a Master of Business Administration at Lancaster University in 2012.

Gender



Mr. Thing began his career in 2005 as a Process Engineer at Linde Industrial Gases (M) Sdn. Bhd. before joining Tapis Teknik Sdn. Bhd. as a Sales and Application Engineer. He was subsequently promoted to Regional Sales Manager in 2007. In 2012, he joined Sterling Engineering and Trading Sdn. Bhd. as a Director, where he managed sales, marketing, and overall company operations. In 2015, he joined Ecoscience Manufacturing & Engineering Sdn. Bhd. ("EMESB") as a Product Development Manager, focusing on business development and strategic growth initiatives. In 2018, he was transferred to Ecoscience Technologies Sdn. Bhd. ("ETSB"), a wholly owned subsidiary of EMESB, as a General Manager, where he spearheaded the Group's venture into the renewable energy sector. In 2020, he returned to EMESB and continued to oversee ETSB's operations. He was promoted to Business Development Director in 2021.

Aged

43

With extensive expertise in engineering, sales, and strategic leadership, Mr. Thing has played a pivotal role in driving the Group's expansion and diversification efforts.

Save for his directorship of the Company, he does not hold any other directorship in public companies and listed corporations in Malaysia.

He attended all five (5) Board of Directors' meeting held during the financial year ended 31 December 2025.

PROFILE OF DIRECTORS (CONT'D)

LAW SANG THIAM

Independent Non-Executive Director

Nationality



Law Sang Thiam ("Mr. Law"), a Malaysian, male, aged 50, is our Independent Non-Executive Director. He was appointed to our Board on 2 August 2021. He is the Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee and Nomination Committee.

Mr. Law obtained his Bachelor of Accounting from the University of Malaya in 2000. He has been a member of the Malaysian Institute of Accountants since 2003 and Malaysian Institute of Certified Public Accountants since 2004.

Gender



He began his career with Arthur Andersen & Co in 2000 as an Audit Assistant before leaving the firm in 2002 to join Ernst & Young (now known as Ernst & Young PLT) as Audit Associate.

During his tenure with the said accounting firms, he was involved in audit assignments of companies in various industries, as well as other engagements involving corporate exercises.

In 2016, Mr. Law left Ernst & Young as an Audit Director to establish his own accounting firm, Ivan Law & Co. In 2017, he established Taxavenue Advisory PLT, a firm in Malaysia providing tax advisory services. He is currently the Managing Partner of both Ivan Law & Co and Taxavenue Advisory PLT.

Aged

50

Mr. Law is an Independent Non-Executive Director of MCE Holdings Berhad (since 2022), a company listed on the Main Market of Bursa Malaysia Securities Berhad, Spring Art Holdings Berhad (since 2018) and iCents Group Holdings Berhad (since 2024), a company listed on the ACE Market of Bursa Malaysia Securities Berhad.

He attended four (4) out of five (5) Board of Directors' meeting held during the financial year ended 31 December 2025.

PROFILE OF DIRECTORS (CONT'D)

ANG CHYE KIAN

Independent Non-Executive Director

Nationality



Ang Chye Kian ("Ms. Ang"), a Malaysian, female, aged 64, is our Independent Non-Executive Director. She was appointed to our Board on 2 August 2021. She is the Chairperson of the Remuneration Committee and a member of the Nomination Committee and Audit and Risk Management Committee.

She obtained her Diploma of Managerial Principles from Stamford College Singapore in 1981. In 1991, she was admitted as an associate of the Malaysian Institute of Management.

Gender



Ms. Ang began her career with the Malaysia Shipyard and Engineering Sdn. Bhd., a shipbuilder and fabricator, as an Audit Assistant in 1982. She left the company in 1985 and joined MUI Finance Berhad, a financial services company, as an Account Assistant until 1989. In 1990, she joined AmBank (M) Berhad as a credit control officer responsible for administration, collection and litigation. She was subsequently promoted to Documentation and Disbursement Officer, a position she held from 1994 to 1996 before being promoted to Senior Marketing and Processing Officer from 1997 to 2000. Subsequently, she took up the position of Senior Credit Executive of rehabilitation and restructuring division within AmBank (M) Berhad from 2001 to 2005 before being promoted to Manager, and was responsible for loans approval in Retail Financing from 2006 to 2011. She was the Head, Manager in Lending Operations from 2012 to 2014 and subsequently held the post of Head, Manager for Credit Process and Evaluation from 2015 until her retirement from AmBank (M) Berhad in 2017.

Aged

64

Save for her directorship of the Company, she does not hold any other directorship in public companies and listed corporations in Malaysia.

She attended all five (5) Board of Directors' meeting held during the financial year ended 31 December 2025.

PROFILE OF DIRECTORS (CONT'D)

SHU LING LING

Independent Non-Executive Director

Nationality



Shu Ling Ling ("Ms. Shu"), a Malaysian, female, aged 44, is our Independent Non-Executive Director. She was appointed to our Board on 3 June 2025. She is the Chairperson of the Nomination Committee and a member of the Remuneration Committee and Audit and Risk Management Committee.

She graduated in Bachelor in Accountancy and Finance from University of Abertay Dundee, Scotland, United Kingdom. She also obtained her Diploma in Financing Accounting from Systematic College, Malaysia.

Gender



Ms. Shu has more than 10 years of experience in corporate finance and financial management. She has held senior positions in both public-listed and private entities across diverse sectors including finance, technology, trading, and manufacturing. Throughout her career, she has consistently demonstrated strategic leadership, financial acumen, and stakeholder engagement capabilities.

Save for her directorship of the Company, she does not hold any other directorship in public companies and listed corporations in Malaysia.

Aged

44

She attended all two (2) Board of Directors' meeting held during the financial year ended 31 December 2025 after her appointment as director on 3 June 2025.

Notes:

1. None of the Directors have any family relationships with other Directors and/or major shareholders of the Company.
2. None of the Directors have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.
3. None of the Directors have been convicted of any offences within the past five (5) years or been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2025, other than traffic offences (if any).

KEY SENIOR MANAGEMENT

ANDY TAN BOON KIONG

Project Director

Nationality



Gender



Aged

49

Andy Tan Boon Kiong is responsible for our Group's projects in Gabon.

He obtained a Bachelor's Degree in Mechanical and Manufacturing Systems Engineering from Sheffield Hallam University, United Kingdom in 2002. He also obtained a certificate of competency granted under the Factories and Machinery Act 1967 by the chief and deputy chief inspectors of Factories and Machinery which qualified him as a First Grade Steam Engineer.

He began his career in 2002 with Sime Darby Plantation Sdn. Bhd. as Junior Engineer. He was subsequently promoted to the position of Mill Manager, where he was responsible for palm oil mill operations and projects. He left the company in 2013 to work in Indonesia when he joined PT Super Venture, a company involved in developing and maintaining palm oil mills, as Head of Projects. He was responsible for overseeing palm oil mill construction and maintenance projects in Indonesia.

In 2015, he returned to Malaysia and joined EMESB as General Manager of our Group's operations in Gabon. He was promoted to his current position on 1 August 2021 and is currently responsible for managing and overseeing the implementation of our projects in Gabon.

TIA TUAN SIM

Operational and Technical Director

Nationality



Gender



Aged

48

Tia Tuan Sim is responsible for the overall operations of our Group's projects and engineering department. He is one of the founders of our Group.

He obtained a degree in Bachelor of Chemical Engineering from University Teknologi Malaysia in 2001.

He began his career in 2001 when he joined Sahamas Sdn. Bhd., a company involved in the fabrication and installation of palm oil milling equipment, as Project Engineer. He subsequently left the company in 2003 and joined Tractors Manufacturing & Assembly Sdn. Bhd. as Project Engineer where he was responsible for monitoring projects and supervising the workshop operations. In the same year, he left the company to establish EMESB together with Wong Choi Ong, our Managing Director. He was the Project Engineer of EMESB before he was promoted to his current position on 1 August 2021.

GOH YU MENG

Head of Human Resources and Administration

Nationality



Gender



Aged

72

Goh Yu Meng is responsible for our Group's human resources and administrative function, storekeeping and logistic operations.

She attended Stamford College, Selangor and obtained the LCCI Higher Accounting in 1976. She also obtained her Certificate in Personnel Management from the Malaysian Institute of Personnel Management in 1984.

She began her career with Tampoi Oil Products Sdn. Bhd. in 1976, a company involved in palm oil refinery as Accounts Assistant. In 1979, she left and joined Felda Vegetable Oil Products Sdn. Bhd., a company involved in palm oil refinery as Administrative and Accounts Executive. In 2000, due to the restructuring of Felda group of companies, she was assigned to work under Delima Oil Products Sdn. Bhd., a company involved in palm oil refinery and manufacturing of packaged foods as Administrative and Accounts Manager. She left Delima Oil Products Sdn. Bhd. in April 2011.

In May 2011, she joined EMESB as the Finance and Administration Manager where she was responsible for managing the company's finances and administrative matters. On 1 August 2021, she assumed her present position and is currently responsible for overseeing our Group's human resources and administrative functions, storekeeping and logistic operations.

Notes:

1. None of the Key Senior Management have any family relationship with any Directors and/or major shareholders of the Company.
2. None of the Key Senior Management have any other directorship in public companies and listed issuers.
3. None of the Key Senior Management have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.
4. None of the Key Senior Management have been convicted of any offence within the past five (5) years or been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2025, other than traffic offences (if any).

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors (“Board”), it is my privilege to present Ecoscience International Berhad’s (“Ecoscience” or the “Company”) Annual Report for the financial year ended 31 December 2025 (“FY2025”).

The year has been a period of measured recovery and operational recalibration for the Group. Against a backdrop of continued global uncertainty and evolving industry dynamics, we remained focused on strengthening our execution capabilities, improving cost discipline, and reinforcing our strategic foundations. While challenges persisted across several markets, the Group demonstrated resilience in navigating these headwinds, positioning Ecoscience for a more stable and sustainable growth trajectory.



DATO' TAN YEE BOON

Independent
Non-Executive Chairman



CHAIRMAN'S STATEMENT (CONT'D)

STRENGTHENING OUR FOUNDATIONS

A key milestone in FY2025 was the securing of a RM55.8 million design and build contract for a palm oil mill in Sabah, marking our largest contract win for the year. This achievement underscores the Group's continued competitiveness in delivering integrated engineering solutions within the palm oil sector.

In tandem, we expanded our order book through additional Letters of Award, enhancing our revenue visibility and providing a stronger platform for future growth. The year also saw Ecoscience further strengthen its downstream capabilities, particularly in fats and oils refinery engineering, reflecting our strategic shift towards higher-value segments within the palm oil value chain.

Operationally, the Group recorded improved performance, underpinned by stronger project execution and enhanced cost monitoring initiatives. These efforts translated into a meaningful turnaround at the gross profit level, reinforcing the effectiveness of our ongoing operational discipline.

Equally important, we continued to uphold strong governance standards, maintaining transparency through timely Bursa filings and consistent engagement with stakeholders.

REVIEW OF FINANCIAL PERFORMANCE

For FY2025, the Group recorded revenue of RM133.43 million, representing a 7.54% decrease compared to RM144.31 million in FY2024. The decline was primarily attributable to lower project progress in Indonesia and Gabon, as well as a reduced number of active projects in these markets.

Notwithstanding the lower revenue, the Group delivered a significant improvement in profitability. Gross profit rose to RM16.92 million from a gross loss of RM6.31 million in the preceding year, driven by improved cost control measures and stronger project contributions from Malaysia.

The Group also recorded a profit before tax of RM0.83 million, a substantial improvement from a loss of RM27.95 million in FY2024. This was supported by better project margins, lower operating expenses, and favourable foreign exchange movements during the year.

Overall, FY2025 reflects a year of operational recovery, as the Group made tangible progress in restoring profitability while maintaining financial discipline.

NAVIGATING A COMPLEX OPERATING ENVIRONMENT

The operating landscape in FY2025 remained challenging. At the macro level, the Group faced increasing regulatory pressures, rising sustainability compliance costs, and continued global supply chain uncertainties.

Regionally, operations were affected by weather disruptions, labour constraints, and heightened competition, particularly from fabrication players across Asia. These factors contributed to pricing pressures and required ongoing strategic recalibration to maintain competitiveness.

Domestically, the Group experienced a decline in progressive claims alongside elevated project costs and foreign exchange volatility. These challenges weighed on overall performance, despite improvements in revenue contribution from Malaysia. Despite these headwinds, our continued emphasis on operational efficiency, cost discipline, and prudent risk management enabled us to mitigate disruptions while maintaining our long-term strategic focus.





CHAIRMAN'S STATEMENT (CONT'D)

CHARTING THE FUTURE

Looking ahead, the Group remains cautiously optimistic about its prospects for FY2026, supported by a strong contract backlog, the highest since listing, and the securing of multi-year projects that will underpin revenue visibility.

The anticipated completion of key refinery projects by mid-2026 is expected to contribute meaningfully to earnings, while our continued expansion into downstream palm oil infrastructure will further strengthen our market positioning.

In addition, the Group is advancing its presence in Indonesia, reinforcing our footprint in one of the world's largest palm oil markets. This strategic expansion is expected to enhance our competitiveness in securing new projects across the region.

Sustainability and environmental engineering will remain central to our growth strategy. The Group continues to develop and deploy solutions such as wastewater treatment systems, energy-efficient mill designs, and environmentally compliant engineering practices. The upcoming commissioning of a commercial POME polishing plant further underscores our commitment to supporting the industry's transition towards more sustainable operations.

While execution risks, cost pressures, and competitive pricing remain key considerations, we are confident that our strengthened operational framework, disciplined project management, and strategic focus will enable us to capture emerging opportunities and progressively return to profitability.

ACKNOWLEDGEMENT

None of our achievements would have been possible without the continued support and confidence of our stakeholders. On behalf of the Board, I extend my sincere appreciation to our shareholders, business partners, and customers for their unwavering trust in Ecoscience.

I would also like to express my deepest gratitude to our management team and employees, whose resilience, adaptability, and dedication have been instrumental in navigating the challenges of the past year and driving the Group forward.

As we move into FY2026, we remain committed to strengthening our corporate strategy, enhancing operational excellence, and advancing our sustainability agenda. With a clearer strategic direction and a stronger operational footing, we are well-positioned to navigate the evolving business landscape and deliver long-term value to our shareholders.

Here's to another year of resilience, progress, and sustainable growth.

DATO' TAN YEE BOON

Independent Non-Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

Dear Esteemed Shareholders,

On behalf of our Board of Directors (“Board”), it is my honour to present the Annual Report and Audited Financial Statements of Ecoscience International Berhad (“Ecoscience” or the “Company”) for the financial year ended 31 December 2025 (“FY2025”).

2025 was a year of operational recovery as we navigated a challenging business landscape marked by uneven project activity, cost pressures, and evolving market conditions. Despite a decline in revenue due to lower project progress in certain regions, the Group achieved a significant improvement in profitability, supported by enhanced cost management and stronger execution in Malaysia.

We continued to reinforce our position in the industry through disciplined project delivery, strengthened downstream capabilities, and a growing focus on sustainability-driven solutions.



WONG CHOI ONG

Non-Independent Executive Director /
Managing Director



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

BUSINESS OVERVIEW

Ecoscience is a one-stop solution provider specialising in the construction of palm oil mills and supporting facilities, as well as the fabrication of equipment. The Group's core activities are centred on the construction of plants, primarily palm oil mills and related infrastructure, supported by its in-house fabrication capabilities.

Established Track Record and Activities

With nearly two decades of industry experience, the Group has built a strong foundation in plant construction, particularly in the development of palm oil mills, supported by its in-house fabrication of key milling equipment. Over time, the Group has expanded its capabilities to serve a broader range of industries, reflecting its commitment to growth and diversification. In addition to its core construction activities, the Group provides the supply of materials and equipment, spare parts, as well as maintenance services, enabling it to offer integrated solutions across the value chain.

Turnkey Contracting Expertise

As a turnkey contractor for plant construction, Ecoscience delivers end-to-end project execution, encompassing project planning, supervision, and management. The Group's services cover construction, fabrication of equipment and structures, as well as the installation, testing, and commissioning of palm oil mills. In addition, Ecoscience Manufacturing & Engineering Sdn. Bhd. is a registered manufacturer of unfired pressure vessels under the Department of Occupational Safety and Health Malaysia.

Diverse Project Portfolio

Beyond palm oil mill construction, the Group undertakes a range of turnkey projects, including kernel crushing plants, biogas plants, waste-to-energy facilities, and renewable energy solutions. This diversified portfolio reflects the Group's capability to support a broader spectrum of industrial and environmental infrastructure requirements.

Global Market Presence

Ecoscience serves an extensive clientele, including multinational corporations and major global resource companies, with a presence across Peninsular Malaysia, East Malaysia, and overseas markets such as Indonesia and Gabon. Since its listing on the ACE Market of Bursa Malaysia Securities Berhad in July 2022, the Group has continued to pursue international expansion opportunities, further strengthening its regional footprint.

Commitment to Sustainability

Recognising the increasing importance of environmental responsibility, Ecoscience remains committed to advancing sustainable engineering solutions. The Group continues to enhance its capabilities in areas such as energy-efficient plant design, wastewater treatment, and environmentally compliant fabrication processes. These initiatives reflect its ongoing commitment to supporting a more sustainable and responsible industrial ecosystem.

FY2025 FINANCIAL REVIEW

Revenue

The Group recorded revenue of RM133.43 million in FY2025, representing a decrease of RM10.88 million or 7.54% compared to RM144.31 million in FY2024. The decline in revenue was primarily attributable to a lower number of construction projects and reduced project progress claims during the financial year, particularly in Indonesia and Gabon.

Despite the overall decrease in revenue, the Group benefited from stronger project execution in Malaysia, which partially mitigated the impact of lower contributions from overseas markets. The revenue performance reflects the continued variability in project pipelines and timing of revenue recognition inherent in the Group's business operations.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

FY2025 FINANCIAL REVIEW (CONT'D)

Revenue Breakdown by Geographical Locations

Malaysia remained the Group's largest contributor to revenue in FY2025, recording an increase of RM36.99 million or 50% compared to FY2024. The improvement was mainly driven by steady project execution and timely progress recognition from ongoing projects during the financial year.

In contrast, revenue from Gabon decreased by RM29.21 million or 62% compared to FY2024, due to a reduced number of active projects and lower project progress during the year.

Similarly, revenue from Indonesia declined significantly by RM18.71 million or 85% compared to FY2024, primarily due to the absence of new projects and limited ongoing project activity within the market.

Overall, the Group's geographical revenue distribution in FY2025 reflects a stronger reliance on domestic operations, with overseas contributions impacted by project timing and reduced project pipeline activity.

Gross Profit

The Group recorded a gross profit of RM16.92 million in FY2025, a significant improvement from the gross loss of RM6.31 million in FY2024. The turnaround was primarily attributable to enhanced cost monitoring initiatives and improved project execution during the financial year.

In addition, higher revenue contributions from Malaysia, driven by steady project progress and timely recognition of work completed, supported the recovery in gross margins. The improved performance reflects the Group's ongoing efforts to strengthen operational discipline, optimise cost structures, and enhance overall project efficiency.

Profit Before Tax & After Tax

The Group recorded a profit before tax ("PBT") of RM0.83 million in FY2025, a substantial improvement compared to a loss of RM27.95 million in FY2024. The reduction in losses was mainly driven by the return to gross profitability, supported by improved project margins and lower operating expenses during the financial year.

In addition, favourable foreign exchange movements contributed positively to the Group's financial performance, in contrast to the foreign exchange losses recorded in the preceding year.

Consequently, the profit after tax ("PAT") also narrowed significantly in FY2025, reflecting the Group's improved operational performance and strengthened cost management measures.

Trade Receivables Turnover Period

The Trade Receivables Turnover Period increased from 65 days in FY2024 to 75 days in FY2025, indicating a slight delay in the collection of payments from customers. The increase was primarily attributable to lower revenue during the financial year, which affected the overall collection cycle.

Despite this, the Group continues to monitor its receivables closely and remains committed to improving collection efficiency to support better cash flow management going forward.

Trade Payables Turnover Period

The Trade Payables Turnover Period increased from 63 days in FY2024 to 92 days in FY2025, indicating that the Group is taking a longer period to settle its obligations to suppliers.

This reflects the Group's prudent working capital management approach in balancing cash flow requirements while maintaining operational continuity. The Group remains committed to managing supplier relationships effectively and ensuring that payment obligations are met in a structured and sustainable manner.





MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

FY2025 FINANCIAL REVIEW (CONT'D)

Liquidity & Capital Resources

For FY2025, the Group recorded a net cash outflow from operating activities of RM0.89 million. This was primarily attributable to an increase in trade and other receivables, contract assets, and inventories during the financial year. The impact was partially offset by a decrease in contract liabilities as well as trade and other payables.

Net cash outflow from investing activities amounted to RM1.85 million, mainly arising from the purchase of property, plant and equipment ("PPE") and other investments undertaken during the financial year.

In terms of financing activities, the Group recorded a net cash outflow of RM3.86 million, primarily due to the repayment of borrowings, loans, and associated interest obligations.

Overall, the Group continues to exercise prudent cash flow management to ensure sufficient liquidity to support its operational requirements and ongoing business activities.

Gearing Ratio

As of 31 December 2025, the Group's gearing ratio increased from 0.85x in FY2024 to 0.97x in FY2025, indicating a higher level of borrowings relative to equity during the financial year.

The increase was primarily attributable to the Group's continued utilisation of debt financing to support its operational and working capital requirements. The Group continues to monitor its capital structure to ensure an appropriate balance between funding needs and financial flexibility.

Significant Trends and Events

Apart from the risks outlined in the Key Risks Exposure and Mitigation section of this annual report, the Group is not aware of any other significant trends or events that could materially affect its operational efficiency, financial performance, or liquidity in the foreseeable future.

Nevertheless, the Group remains vigilant in monitoring market developments and emerging risks, and will continue to adopt proactive measures to ensure business resilience and sustainable growth.

FY2025 OPERATIONAL REVIEW

1. Construction of Plants and Facilities Segment

The construction of plants and facilities segment remained the Group's primary revenue contributor in FY2025. Revenue from this segment decreased from RM93.62 million in FY2024 to RM71.48 million in FY2025, representing a 24% reduction or a decrease of RM22.14 million.

The decline was primarily attributable to lower project progress recognition during the financial year, particularly due to timing differences in project execution and certification of work completed. Despite the reduction in revenue, the segment continues to represent the largest contribution to the Group's overall revenue.

2. Fabrication of Equipment Segment

The fabrication of equipment segment recorded an increase in revenue in FY2025, with earnings rising from RM44.26 million in FY2024 to RM55.89 million, representing a 26% growth or an increase of RM11.63 million.

The increase was mainly driven by higher revenue recognition from ongoing fabrication projects and improved project execution during the financial year.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

FY2025 OPERATIONAL REVIEW

3. Supply of Materials and Equipment Segment

The supply of materials and equipment segment recorded a marginal decrease in revenue in FY2025, declining from RM5.86 million in FY2024 to RM5.65 million, representing a 4% reduction or a decrease of RM0.21 million.

The slight decline was primarily due to lower procurement activity from clients, in line with reduced project activity in certain markets during the financial year.

KEY RISKS EXPOSURE AND MITIGATION

Ecoscience International Berhad recognises that its business operations are subject to various risks that could impact its performance, financial stability, and long-term growth. In response, the Group has identified key risk areas and implemented appropriate mitigation measures to support business continuity and resilience.

a. Dependency on a Core Customer

The Group has historically relied on a major customer for a significant portion of its order book. However, in recent years, the contribution from this customer has declined as the Group continues to diversify its project portfolio. As engagements with this client are project-based in nature, there is no assurance of securing future contracts upon the completion of ongoing projects.

This dependency exposes the Group to risks arising from market fluctuations and changes in customer demand, which may affect revenue sustainability. To mitigate this, the Group continues to broaden its customer base by actively pursuing opportunities across different industries and geographical markets.

b. Sustainability of Order Book via Project Acquisition

The Group's financial performance is closely linked to its ability to secure new projects and sustain its order book. Given the competitive nature of the industry, there is no certainty in the successful award of contracts through the tendering process. In addition, the order book may be affected by unforeseen changes such as project delays, variations in scope, suspensions, or terminations.

To address these risks, the Group remains focused on actively tendering for new projects within the palm oil and broader industrial sectors, both domestically and internationally. The Group is also diversifying its revenue streams through initiatives such as leasing heat recovery equipment and developing non-chemical water treatment solutions, while continuing to explore opportunities within the renewable energy sector, particularly in areas related to palm oil waste and biofuel production.

c. Operational Risks in Gabon

The Group's operations in Gabon are subject to various regulatory and economic factors, including government policies, taxation requirements, foreign exchange controls, and licensing obligations. Compliance with local labour laws, as well as health, safety, and environmental regulations, remains essential to ensuring uninterrupted operations.

To mitigate these risks, the Group continues to adopt measures to ensure compliance with local regulatory requirements and to manage operational exposure effectively. These efforts are aimed at minimising disruptions and safeguarding the Group's ongoing operations within the region.





MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

KEY RISKS EXPOSURE AND MITIGATION (CONT'D)

d. Project Uncertainties

The Group's construction and engineering projects are inherently exposed to risks such as delays, contract terminations, or suspensions, which may impact project timelines and overall financial performance. These uncertainties may arise from factors including material and labour shortages, shipment delays, customs clearance issues, and adverse weather conditions. Such disruptions may result in additional costs, potential penalties, or challenges in maintaining client relationships.

To mitigate these risks, the Group has established internal protocols to closely monitor project progress and enable timely intervention when issues arise. Where necessary, formal requests for extensions of time are submitted to clients; however, there is no assurance that such requests will always be approved. The Group also emphasises clear and proactive communication with clients from the outset of each project to ensure alignment on expectations, potential risks, and contingency measures, thereby reducing the likelihood of significant disruptions.

e. Market Price Fluctuations on Steel Procurement

Steel remains a key raw material in the Group's plant construction and equipment fabrication activities, exposing the business to fluctuations in market prices. Price volatility may be influenced by global economic conditions, supply chain disruptions, and changes in demand. Significant increases in steel prices may lead to higher project costs and impact profit margins. In addition, elevated steel prices may result in delays in contract awards, affecting project timelines and execution.

To manage this risk, the Group seeks to negotiate fixed-price arrangements with steel suppliers where feasible, providing greater cost certainty during the tendering and project execution phases. In cases where contracts are secured, the Group may also undertake advance procurement of steel materials to lock in prices and align procurement costs with project budgets. While these measures do not fully eliminate exposure to price fluctuations, they help to mitigate cost variability and support financial stability.

PROSPECTS FOR FY2026

The Group's prospects remain positive, supported by stable global demand for palm-based products and continued investment activity across the palm oil value chain. This sustained demand is expected to drive the need for new processing capacity, mill modernisation, and efficiency-enhancing technologies, providing ongoing opportunities for the Group's engineering and construction services.

Industry conditions across key producing countries further support long-term investment in engineering and environmental solutions. In Malaysia, the palm oil sector continues to prioritise upgrades in processing efficiency and compliance with environmental standards, while Indonesia, as the world's largest palm oil producer, presents significant growth potential for new construction, upgrading, and environmental compliance projects. These factors underpin the Group's strategy to strengthen its regional presence and capture opportunities within these markets.

The Group's planned establishment of a physical presence in Indonesia is expected to enhance its competitiveness and improve its ability to secure projects in the region. Together with Malaysia, these markets remain central to the Group's long-term growth strategy, reinforcing the relevance of its core engineering capabilities within the palm oil industry.

In addition, the Group continues to identify opportunities within environmental engineering and sustainability-driven solutions. Increasing regulatory requirements and industry focus on environmental compliance are expected to support demand for solutions such as wastewater treatment systems, energy-efficient plant designs, and waste-to-energy applications.

While the Group anticipates some margin pressure arising from the execution of legacy low-margin projects, margins are expected to improve progressively as higher-value projects, particularly within environmental engineering, contribute to overall performance. The Group will continue to focus on strengthening its order book through active tendering, expanding its customer base, and pursuing opportunities in sustainable agriculture, renewable energy, and mill energy-efficiency upgrades.

Overall, the Group remains cautiously optimistic regarding its performance for FY2026. Supported by stable demand fundamentals, a strengthened order book, and expanding regional presence, Ecoscience is well-positioned to improve its operational performance and deliver long-term value to its stakeholders.

SUSTAINABILITY STATEMENT

REPORTING FRAMEWORK

This Sustainability Statement has been prepared in accordance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and provides an overview of the sustainability performance of Ecoscience International Berhad (“Ecoscience” or the “Company”) and its subsidiaries (collectively referred to as the “Group”) for the financial year ended 31 December 2025 (“FY2025”). The scope of this Statement covers the Group’s core operations, including plant and facility construction, equipment fabrication, and the supply of materials and equipment.

In FY2025, the Group continued to strengthen its sustainability reporting approach by aligning its disclosures with recognised frameworks and guidelines, including the Global Reporting Initiative (“GRI”) Standards, Bursa Malaysia’s Sustainability Reporting Guide, and relevant recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”). The Group has also progressively enhanced its internal data collection processes to support improved transparency and accountability, particularly in areas such as energy consumption, greenhouse gas emissions, waste management, and water usage.

The Board of Directors (“the Board”) maintains overall responsibility for the Group’s sustainability agenda, including the oversight of environmental, social, and governance (“ESG”) risks and opportunities. The Board is supported by the ESG Committee, which drives the implementation of sustainability initiatives and monitors performance across the Group. This governance structure ensures that sustainability considerations are embedded into the Group’s strategic decision-making and operational practices.

As part of its ongoing commitment to sustainable development, the Group continues to refine its ESG practices and disclosures to better meet stakeholder expectations and evolving regulatory requirements. The Sustainability Statement reflects the Group’s efforts to integrate sustainability into its business operations, while supporting long-term value creation for its stakeholders and contributing positively to the communities in which it operates.

Sustainability Governance Structure

The Group’s commitment to sustainability is embedded within a structured governance framework that supports the integration of ESG considerations across all levels of the organisation. This framework enables the Group to balance economic performance with environmental stewardship and social responsibility, while ensuring that sustainability remains an integral part of its strategic and operational decision-making.

Role	Responsibility
Board of Directors	<ul style="list-style-type: none"> - Ensure adherence to sustainability practices and performance standards - Assess the effectiveness of sustainability initiatives and processes - Provide oversight, guidance, and direction for the Group’s sustainability matters as required - Report on significant risks and opportunities related to sustainability - Approve management proposals regarding sustainability matters
Managing Director	<ul style="list-style-type: none"> - Spearhead and oversee implementation of overall sustainability strategy across the Group - Engage in discussions, reviews, and regular monitoring of sustainability matters and progress frequently and consistently

SUSTAINABILITY STATEMENT (CONT'D)

REPORTING FRAMEWORK (CONT'D)

Sustainability Governance Structure (Cont'd)

Role	Responsibility
ESG Committee	<ul style="list-style-type: none"> - Chaired by the Executive Director - Consists of senior representatives of departments and human resources - Conduct materiality assessment on sustainability issues - Lead, supervise, and monitor the progress and enhancements aimed at attaining the Group's core sustainability objectives
Heads of Departments	<ul style="list-style-type: none"> - Oversee, manage, and drive the performance of sustainability matters within their respective departments - Report on status of action plans and performance of sustainability issues to the ESG Committee

The ESG Committee and the Board of Directors play an active role in reviewing and managing material sustainability matters, guided by the Global Reporting Initiative ("GRI") Standards and Bursa Malaysia's Sustainability Reporting Guide. The ESG Committee, in collaboration with departmental heads, is responsible for identifying, assessing, and prioritising material issues, with final endorsement provided by the Board.

The Chairman of the ESG Committee, a certified member of the Institute of Certified Sustainability Practitioners ("ICSP"), continues to oversee the assignment of material sustainability topics to respective Heads of Department ("HODs"), ensuring accountability and alignment with established ESG practices. The Group also remains committed to strengthening internal capabilities, including ongoing training and capacity-building initiatives to support effective implementation of its sustainability agenda.

Materiality Assessment Methodology

As an integrated service provider to the palm oil milling industry, the Group remains committed to strengthening sustainability practices across its value chain. On an annual basis, the Group undertakes a comprehensive review of its material sustainability matters, assessing their relevance to business operations and significance to stakeholders. This process ensures that the Group remains responsive to evolving ESG expectations while aligning its sustainability priorities with its strategic objectives.

The Group's materiality assessment process is conducted through a structured three-stage approach:

1. **Identify:** The Group identifies crucial material sustainability matters by engaging with stakeholders.
2. **Prioritise:** We prioritise material sustainability matters by evaluating their significance to the Group and their importance to stakeholders.
3. **Review and Validate:** We review and validate material sustainability matters through discussions among the Managing Director, Board of Directors, and ESG Committee to identify any shifts in priorities that require attention.

Based on this assessment, the Group has identified key material sustainability matters across economic, environmental, social, and governance ("EESG") dimensions. These material matters form the foundation of the Group's sustainability strategy and guide the development of action plans and performance indicators, as outlined in the subsequent sections of this Statement.



SUSTAINABILITY STATEMENT (CONT'D)

REPORTING FRAMEWORK (CONT'D)

Stakeholder Engagements

Our sustainability strategy is supported by continuous engagement with stakeholders through both formal and informal channels, enabling the Group to better understand their expectations, concerns, and evolving priorities. Meaningful stakeholder engagement remains integral to the Group's long-term business resilience and sustainability performance.

Through regular interactions, the Group is able to identify emerging risks and opportunities, strengthen relationships, and enhance decision-making processes. This proactive approach supports the development of inclusive and sustainable solutions that create long-term value for both the Group and its stakeholders.

A detailed summary of our engagements is presented in the table below:

Role	Focus and Interest	Engagement Approach
Suppliers/ Contractors	<ul style="list-style-type: none"> Punctual delivery Consistent and prompt payment schedule Quality of products and services Transparent pricing and procurement best practices Business and operational performance Compliance to laws Ethical business conducts 	<ul style="list-style-type: none"> Vendor prequalification registrations Contract engagement Project meetings Conferences, exhibitions, seminars Project site visits On-time payments
Customers	<ul style="list-style-type: none"> Strong relationships with customers Prompt delivery of services and products Quality of products and services Efficient resolution of complaints Adherence to security, health, and safety standards Customer experience and services 	<ul style="list-style-type: none"> Proactively cultivate and nurture relationships Industry networking events, exhibitions, and conferences Customer complaints Regular meetings and site visits for customer feedback and satisfaction
Investors/ Shareholders	<ul style="list-style-type: none"> Shareholder value Corporate governance Business strategy Financial performance Financial returns and dividend policy 	<ul style="list-style-type: none"> Corporate website Annual reports Quarterly financial reports General meetings Announcements to Bursa Malaysia Securities Berhad
Communities	<ul style="list-style-type: none"> Operational impact Positive community ties Community engagements Community goodwill and support Talent acquisition 	<ul style="list-style-type: none"> Corporate Social Responsibility Charities such as fundraisers, donations, and volunteering programs Community outreach campaigns Internships
Employees	<ul style="list-style-type: none"> Occupational health and safety Sustainability practices Employee welfare, compensations, and incentives Employee training and development Job performance Career progression Uplifting workplace culture and environment 	<ul style="list-style-type: none"> Annual performance appraisals Safety awareness training Professional development and career advancement schemes Whistle Blowing Policy In-house memos and circulars Corporate website Annual reports



SUSTAINABILITY STATEMENT (CONT'D)

REPORTING FRAMEWORK (CONT'D)

Stakeholder Engagements (Cont'd)

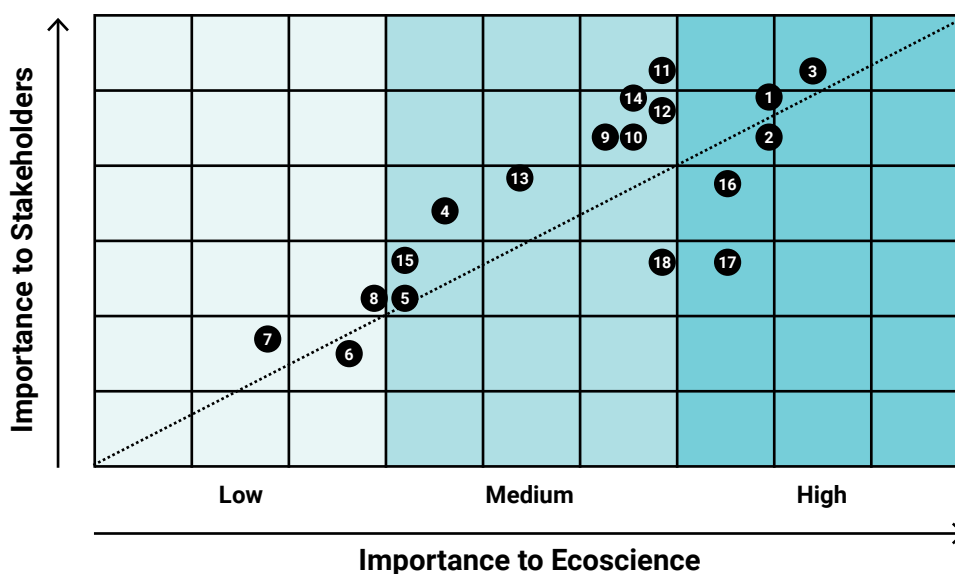
Role	Focus and Interest	Engagement Approach
Government/ Regulatory Agencies	<ul style="list-style-type: none"> • Laws and regulations compliance • Workplace health and safety • Environmental standards and sustainability objectives • Corporate governance compliance • Government policies and schemes • Investment opportunities 	<ul style="list-style-type: none"> • Meetings and project site visits and inspections • Official seminars, events, information sessions, and industry dialogues • Engagements in cooperative initiatives and schemes • Annual reports
Industry Peers	<ul style="list-style-type: none"> • Industry standards and best practices • Industry knowledge and trends • Environmental and sustainability updates 	<ul style="list-style-type: none"> • Industry networking events, seminars, and conferences • Meetings with industry experts

Materiality Assessment Matrix

The Group has completed a comprehensive materiality assessment to identify and prioritise key sustainability matters relevant to its operations and stakeholders. This assessment forms the basis for the development of targeted action plans and performance indicators, ensuring that the Group’s sustainability efforts remain focused on areas of greatest impact.

These are represented by the colour gradients shown below:

Points of Differentiation:	Value Enhancement:	Value Protection:
Topics in which Ecoscience can lead	Topics capable of enhancing operational value for Ecoscience	Foundation topics for Ecoscience



SUSTAINABILITY STATEMENT (CONT'D)

REPORTING FRAMEWORK (CONT'D)

Materiality Assessment Matrix (Cont'd)

Area of Sustainability Matters	Topic of Sustainability Matters
Economic	<ol style="list-style-type: none"> 1. We serve as an all-in-one solution provider. 2. Our in-house capabilities include equipment design and fabrication. 3. Our consistent history of excellence stands as cornerstone for sustained business growth.
Environment	<ol style="list-style-type: none"> 4. Innovative and eco-friendly products and services compliant with regulations 5. Solar and renewable energy 6. Waste and resources management 7. Digitalised processes 8. Water management
Social	<ol style="list-style-type: none"> 9. Diversity, equity, and inclusion 10. Human rights 11. Health and safety 12. Employee management 13. Talent management 14. Employee remuneration and retention 15. Community investments
Governance	<ol style="list-style-type: none"> 16. Policies and governance practices 17. Supply chain management 18. Cybersecurity and data protection

Key Material Sustainability Matters and Their Significance

The identified sustainability matters crucial to Ecoscience are outlined below:

- Ensuring the long-term sustainability of our primary business operations.
- Adapting to and mitigating environmental challenges amidst the ongoing global climate shifts.
- Cultivating a supportive organisational culture that prioritises social well-being.
- Upholding accountability and responsibility in line with our organisational values and objectives.

SUSTAINABILITY STATEMENT (CONT'D)



ECONOMIC

The Group continues to focus on strengthening its core capabilities and delivering sustainable value through an integrated business model that supports long-term growth. By leveraging its expertise, operational experience, and strategic positioning within the palm oil value chain, the Group remains committed to enhancing its competitiveness and ensuring business resilience.

We serve as an all-in-one solution provider

The Group is well-positioned to deliver end-to-end solutions for the construction of palm oil mills and their supporting facilities, leveraging its core strengths in engineering, procurement, construction, and commissioning. Its in-house fabrication capabilities further enhance its ability to provide comprehensive and integrated solutions across the entire project lifecycle.

This turnkey approach enables the Group to streamline project execution, improve coordination, and maintain consistent quality standards, while providing clients with a single point of accountability.

Our in-house capabilities include equipment design and fabrication

The Group's in-house fabrication capabilities allow it to exercise greater control over production costs, timelines, and quality. This capability enables the Group to deliver customised solutions tailored to specific project requirements, while maintaining flexibility in responding to client needs.

The Group continues to enhance its technical capabilities through collaboration with external consultants and engineers, ensuring that its equipment designs remain aligned with evolving industry standards and operational efficiency requirements.

Our consistent history of excellence stands as a cornerstone for sustained business growth

With nearly two decades of experience in plant construction and equipment fabrication, the Group has established a strong presence in both domestic and international markets, including Malaysia, Indonesia, and Gabon. This extensive track record provides a solid foundation for sustained growth and supports the Group's ability to deliver reliable and high-quality engineering solutions.

By building on its accumulated expertise and expanding its capabilities, the Group remains well-positioned to capture opportunities across the palm oil and broader industrial sectors.

SUSTAINABILITY STATEMENT (CONT'D)



ENVIRONMENT

The Group remains committed to minimising its environmental impact while supporting sustainable development across its operations. As an engineering solutions provider within the palm oil industry, the Group recognises its responsibility to address environmental challenges such as climate change, resource management, and pollution. In FY2025, the Group continued to strengthen its environmental practices through improved monitoring, structured management approaches, and the adoption of more sustainable technologies.

We serve as an all-in-one solution provider

The Group continues to enhance its approach to climate change by progressively strengthening its measurement and management of greenhouse gas ("GHG") emissions. In FY2025, the Group adopted a structured reporting approach in line with the GHG Protocol, focusing on Scope 1 and Scope 2 emissions, while progressively improving data collection capabilities for Scope 3 emissions.

Scope 1 emissions arise primarily from fuel consumption by construction machinery and company vehicles, while Scope 2 emissions are derived from electricity usage across offices, project sites, and operational facilities. The Group continues to monitor and analyse these emissions to support the development of targeted reduction strategies.

Climate-related risks and opportunities are overseen by the Board and integrated into the Group's overall risk management framework. Management is responsible for implementing climate-related initiatives and reporting progress, ensuring that sustainability considerations are embedded into both operational and strategic decision-making processes.

Solar and Renewable Energy

The Group remains committed to reducing its carbon footprint through energy efficiency and the adoption of renewable energy solutions. Guided by its Environmental Policy and Climate Transition Strategy, the Group continues to target carbon neutrality by 2030 and net-zero emissions by 2050.

Key initiatives include the use of energy-efficient lighting systems, optimisation of air conditioning systems, and the implementation of energy management practices to reduce overall consumption. The Group also continues to leverage its rooftop solar photovoltaic systems to support renewable energy generation, while refining its energy monitoring processes to improve efficiency and performance tracking.

These efforts are aligned with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") and reflect the Group's long-term commitment to environmental stewardship.

SUSTAINABILITY STATEMENT (CONT'D)

ENVIRONMENT (CONT'D)

Solar and Renewable Energy (Cont'd)



Electricity Consumption for the past five year(s):	
Year	Usage (kWh)
2023	142,070
2024	102,477
2025	139,362



Solar Generation for the past year (As of December 2025)	
Year	Solar Generation (kWh)
2024	234,936
2025	173,834

Waste and Resources Management

The Group recognises waste management as a material environmental priority arising from its construction and manufacturing activities, which generate both hazardous and non-hazardous waste streams. Improper handling of waste may impact air quality, water systems, and surrounding communities. As such, the Group adopts a structured and responsible approach to waste management in line with regulatory requirements and industry best practices.

The Group’s waste management practices are guided by its Waste Management Policy, which emphasises the principles of reduce, reuse, and recycle (“3R”). Waste is segregated at source across all project sites and operational facilities into categories such as hazardous, recyclable, and general waste. This structured approach facilitates proper handling, enhances recycling efforts, and ensures efficient disposal processes.

Hazardous Waste (Waste Engine Oil)

Waste engine oil is classified as a hazardous substance. The Group adopts a robust management approach to ensure compliance with regulatory requirements and to minimise environmental impact. All hazardous waste is stored in designated areas and handled in accordance with applicable laws.

The Group maintains strict controls over hazardous waste disposal, whereby 100% of waste engine oil is segregated at source and collected by Department of Environment (“DOE”) licensed contractors. These contractors are verified to transport waste to approved recovery and treatment facilities, where it is often repurposed as an alternative fuel source, thereby reducing its overall carbon footprint.

SUSTAINABILITY STATEMENT (CONT'D)

ENVIRONMENT (CONT'D)

Waste and Resources Management (Cont'd)

Hazardous Waste (Waste Engine Oil) (Cont'd)

Year	Waste Engine Oil (KG)	Year-on-Year Change (KG)	Trend/Status
2021	75	N/A	▲ baseline
2022	95	+20	▲ Increase
2023	130	+35	▲ Increase
2024	150	+20	▶ Increase
2025	150	0	Stabilized

Key Analysis:

Trend Analysis: Volumes of hazardous waste increased progressively from 2021 to 2024, stabilising in FY2025. This trend reflects variations in operational activity and fleet maintenance schedules.

Compliance & Recovery: Full compliance has been maintained, with all hazardous waste managed through licensed contractors, ensuring safe handling, recovery, and disposal.

Non-Hazardous Waste (General Waste)

The Group is committed to minimising its environmental impact by prioritising waste reduction at source and maximising material diversion from landfills. Its waste management strategy aligns with circular economy principles, focusing on refuse, reduce, reuse, and recycle.

Year	Waste (KG)	Waste (Metric Tons)	Trend/Status
2021	199,260	199.3 t	▲ baseline
2022	205,705	205.7 t	▼ Increase
2023	71,290	71.3 t	▲ Decrease
2024	83,110	83.1 t	▼ Increase
2025	56,520	56.5 t	Decrease

Key Analysis:

Significant Reduction: The Group achieved a substantial 72.5% reduction in annual general waste in FY2025 compared to its peak in 2022. This reflects the effectiveness of the Group's waste minimisation initiatives and ongoing efforts to enhance resource efficiency across operations.

Data Integrity: The reported data covers all general waste generated within the Group's core operational boundaries. Waste volumes are verified using certified waste collector documentation, including consignment notes, ensuring transparency and accountability in reporting.

Forward-Looking Focus: The Group will continue to strengthen waste segregation practices across all facilities to improve diversion rates, including recycling and composting, while reducing the volume of waste sent to landfills.



SUSTAINABILITY STATEMENT (CONT'D)

ENVIRONMENT (CONT'D)

Waste and Resources Management (Cont'd)

General Waste Generated on Project Sites (Jul–Dec 2025)

In FY2025, the Group commenced the implementation of structured waste management practices across selected key project sites beginning in July 2025. This initiative marks an important step towards standardising waste monitoring and reporting across operational sites, with full implementation targeted for FY2026.

Year	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Trend/Status
Pasir Logok	10,000	10,000	12,500	15,000	15,000	17,500	▲ Increase
Petron	Nil	2,390	3,530	2,560	3,510	3,090	▲▼ Mixed
Kerling	Nil	Nil	25,151	21,300	19,700	30,100	▼ Decrease
Total	10,000	12,390	41,181	38,860	38,210	50,690	▲ Overall

Key Analysis:

Overall Trend: Total monthly general waste generation increased progressively during the second half of FY2025, peaking at over 50 metric tonnes in December 2025. This increase was primarily attributable to a higher number of workmen on-site, in line with the ramp-up in project activities during the period.

Site-Specific Trends: Project sites such as Kerling recorded a notable increase in waste generation from September onwards, becoming the largest contributing site by December. Meanwhile, the steady rise in waste volumes at Pasir Logok reflects consistent growth in operational activity at the site.

Digitalised Processes

The Group continues to leverage digital technologies to enhance operational efficiency, improve precision, and reduce material wastage across its manufacturing and fabrication processes. The adoption of Computerised Numerical Control (“CNC”) machinery enables automated and highly accurate production, supporting the fabrication of complex components with greater consistency and reduced error margins.

Compared to conventional manual processes, digitalised manufacturing improves repeatability and optimises resource utilisation, contributing to reduced material waste and enhanced productivity. This transition towards more advanced manufacturing processes reflects the Group’s commitment to continuous improvement and sustainable operational practices.

Water Management

The Group recognises the importance of responsible water management as a critical component of its environmental stewardship. Water is an essential resource across the Group’s operations, including construction activities, equipment testing, sanitation, and facility management. As such, the Group remains committed to optimising water usage and minimising wastage through structured management practices.

In FY2025, the Group strengthened its water management approach through enhanced monitoring, implementation of water conservation initiatives, and increased utilisation of alternative water sources such as rainwater harvesting systems. These efforts contributed to improved water efficiency, including a reduction in water consumption compared to FY2024, following targeted corrective measures such as leak repairs and improved monitoring systems.

SUSTAINABILITY STATEMENT (CONT'D)

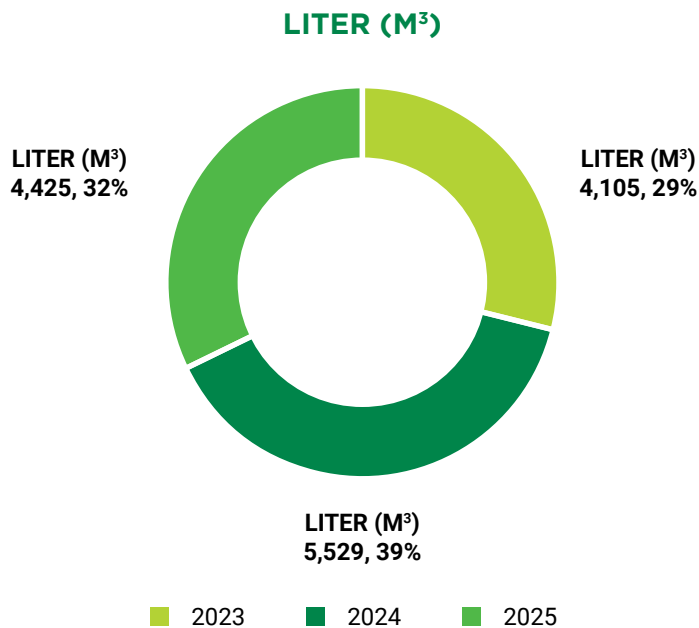
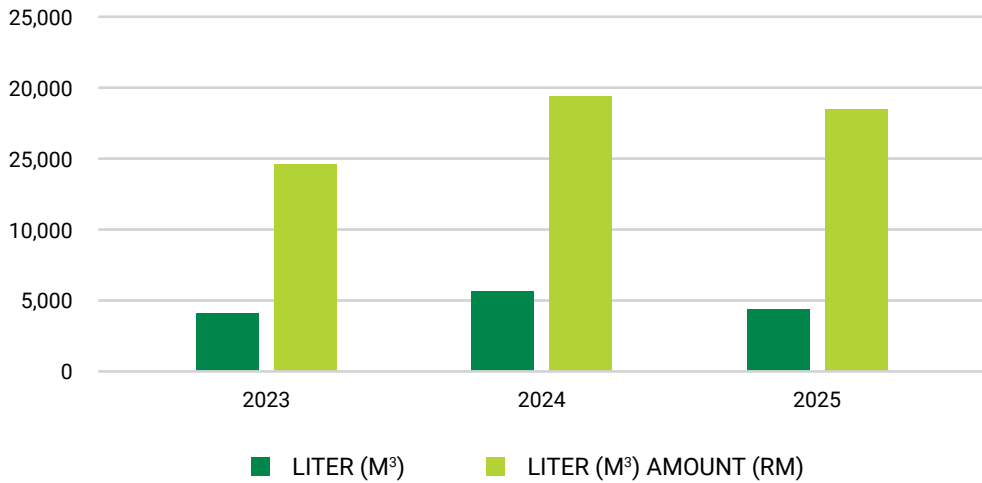
ENVIRONMENT (CONT'D)

Water Management (Cont'd)

The Group continues to implement best practices in water management, including the use of water-efficient systems, monitoring of daily consumption, and staff awareness programmes to promote responsible usage. In addition, rainwater harvesting has been expanded to reduce reliance on treated water supply and support sustainable resource utilisation.

Moving forward, the Group remains committed to achieving its water management targets, including improving water efficiency and reducing overall consumption, while ensuring compliance with regulatory requirements and supporting long-term sustainability objectives.

WATER USAGE RECORD FROM YR 2023 TILL 2025



SUSTAINABILITY STATEMENT (CONT'D)



SOCIAL

The Group remains committed to fostering a safe, inclusive, and supportive workplace, recognising that its employees are fundamental to its long-term success. By prioritising employee well-being, talent development, and responsible labour practices, the Group aims to create a positive working environment that supports both individual growth and organisational performance.

Diversity, Equity, and Inclusion

The Group is committed to fostering a diverse, equitable, and inclusive workplace that values different perspectives and promotes equal opportunities. Its Diversity, Equity and Inclusion ("DEI") practices are guided by fair employment principles and supported by established human resource policies, ensuring that all employees are treated with fairness, dignity, and respect.

Employment practices within the Group are conducted in a fair and transparent manner. Recruitment, training, and career development opportunities are based solely on qualifications, experience, and competency. The Group also ensures that compensation practices are competitive and free from gender-based or discriminatory disparities. Career advancement, including promotions and recognition, is determined based on merit and individual performance, providing equal opportunities for professional growth across all levels of the organisation.

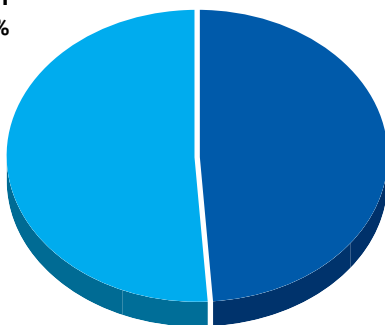
In addition, the Group actively promotes an inclusive workplace culture that encourages open communication, collaboration, and mutual respect among employees from diverse backgrounds. These efforts support a positive working environment that enhances employee engagement and organisational resilience.

In FY2025, the Group's total workforce stood at 192 employees, compared to 210 employees in FY2024. The reduction was primarily attributable to natural attrition, including voluntary resignations and the completion or expiry of fixed-term employment contracts, with no major restructuring exercises undertaken during the financial year. The Group continues to monitor workforce trends and diversity indicators to support sustainable human capital management and long-term organisational stability.

Looking ahead, the Group remains committed to strengthening its DEI practices as part of its broader sustainability agenda. By upholding fair employment standards and fostering an inclusive workplace culture, the Group aims to create long-term value for its employees and stakeholders.

NATIONALITY

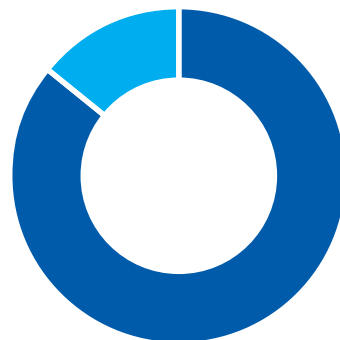
Foreign
98, 51%



Local
94, 49%

GENDER

Female
26, 14%



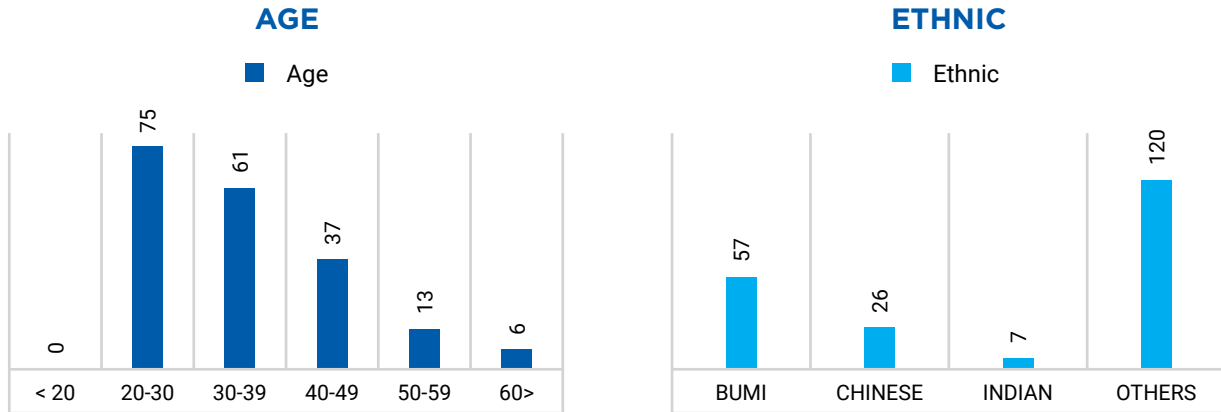
Male
166, 86%

■ Male ■ Female

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Diversity, Equity, and Inclusion (Cont'd)



Human Rights

Safeguarding human rights remains a fundamental principle underpinning the Group’s operations. The Group recognises that strong human rights practices contribute to operational stability, employee well-being, and a respectful workplace environment. Any breach of these principles may result in regulatory non-compliance, reputational risks, and adverse impacts on employee morale and retention.

The Group is committed to complying with all applicable labour laws and regulations in the jurisdictions in which it operates, including Malaysia’s Employment Act 1955 and Trade Union Act 1959. These requirements are embedded within the Group’s internal policies, standard operating procedures, and employee guidelines, which are reviewed periodically to ensure alignment with current regulations and industry best practices.

The Group’s human rights commitment encompasses key areas such as the protection of migrant worker rights, promotion of diversity, equity and inclusion, and the prevention of modern slavery. The Group adopts a zero-tolerance approach towards child labour, forced labour, discrimination, and sexual harassment. In addition, the Group strives to ensure fair wages, safe working conditions, and appropriate living arrangements for all employees, including foreign workers, while promoting responsible practices across its supply chain.

To reinforce transparency and accountability, the Group has established formal grievance mechanisms and whistleblowing channels that enable employees to report concerns in a safe and confidential manner. In FY2025, the Group recorded no reported cases of human rights violations, reflecting its continued commitment to upholding high standards of ethical labour practices.



SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Health and Safety

The Group prioritises the health and safety of its employees and contractors across all operations. Its Occupational Health and Safety Management System (“OHSMS”) is aligned with applicable regulatory requirements, including the Occupational Safety and Health Act 1994 and related standards, ensuring that all operations are conducted in a safe and controlled manner.

The Group has established Health, Safety and Environment (“HSE”) committees across its operations to monitor safety performance and implement appropriate risk mitigation measures. Regular safety training, hazard identification processes, and risk assessments are conducted to ensure that workplace risks are effectively managed.

In FY2025, the Group conducted health and safety training for 197 employees and contractors, reinforcing awareness and adherence to safety practices. While the Group maintained zero fatalities during the year, a workplace incident at a fabrication facility prompted a comprehensive review of safety protocols. Following this, enhanced safety measures and corrective actions were implemented to strengthen risk controls and prevent recurrence.

In addition, on 23rd and 24th July 2025, the Group successfully conducted integrated Emergency Response Team (“ERT”) and fire safety training. This included a full-scale building evacuation drill involving all staff and senior management. The exercise was completed successfully, with the building fully evacuated in 3 minutes and 56 seconds, meeting the Group’s internal safety target.

The Group remains committed to fostering a strong safety culture, with continuous improvement in safety standards, training programmes, and operational practices to ensure the well-being of all personnel.

	2023	2024	2025
Number of employees and contractors trained on health and safety standards	230	84	197

Summary of Work Hours, Fatalities, Lost-Time Injuries, and Lost-Time Incident Rate

	2023		2024		2025	
	Employee	Contractor	Employee	Contractor	Employee	Contractor
Total Hours Worked	491,712	82,368	294,749	82,147	251,912	80,056
Number of Facilities	0	0	0	0	0	0
Number of Lost Time Injuries	1	0	0	0	1	0
Lost Time Incident Rate (“LTIR”)	0.35	0	0	0	0.33	0

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Health and Safety (Cont'd)

Metric	Target	Result (July 2025)	Performance Status
Emergency Response Plan (ERP) Training	100% attendance of designated ERT members	100% Completion (New ERT Team)	Achieved
Full-Scale Fire Drill Participation	>90% of total staff & management	100% Participation (All levels)	Achieved
Building Evacuation Time	≤ 3–5 minutes	3.56 Minutes	Achieved
Safety Competency Training	Annual refresher for response teams	Completed (23rd & 24th July)	In-Compliance

Employee Management

The Group places strong emphasis on attracting, developing, and retaining a skilled and motivated workforce. It is committed to upholding high standards of labour practices, ensuring that all employees are treated fairly, with respect and dignity, and in compliance with applicable laws and regulations.

The Group continues to safeguard workers' rights and welfare by providing safe working and living conditions, access to healthcare, and fair compensation. Centralised living quarters are provided for employees where required, in compliance with regulatory standards, ensuring that workers are housed in safe and conducive environments.

To support a fair and transparent workplace, the Group has implemented policies including the Code of Conduct, Anti-Bribery and Corruption Policy, and Whistleblowing Policy. Employees also have access to formal grievance mechanisms, ensuring that concerns are addressed impartially and in a timely manner. In FY2025, the Group recorded zero cases of labour law non-compliance, human rights violations, or employee grievances, reflecting its strong commitment to ethical labour practices.

Talent Management

The Group is committed to continuous learning and development, recognising that upskilling its workforce is essential to maintaining competitiveness in a dynamic industry. Employees are provided with training programmes designed to enhance both technical competencies and professional capabilities, enabling them to perform effectively in their roles and advance within the organisation.

Training initiatives are conducted through a combination of on-the-job learning, structured programmes, and periodic refresher sessions. These programmes are regularly reviewed to ensure relevance and alignment with industry requirements. By investing in talent development, the Group aims to build a capable and future-ready workforce.

In FY2025, the Group recorded a total of 1,716 training hours, representing an increase of 8.3% compared to 1,584.5 hours in FY2024. The average training hours per trained employee also rose significantly from 13 hours to 21.5 hours, reflecting a stronger focus on in-depth skills development and capability building.

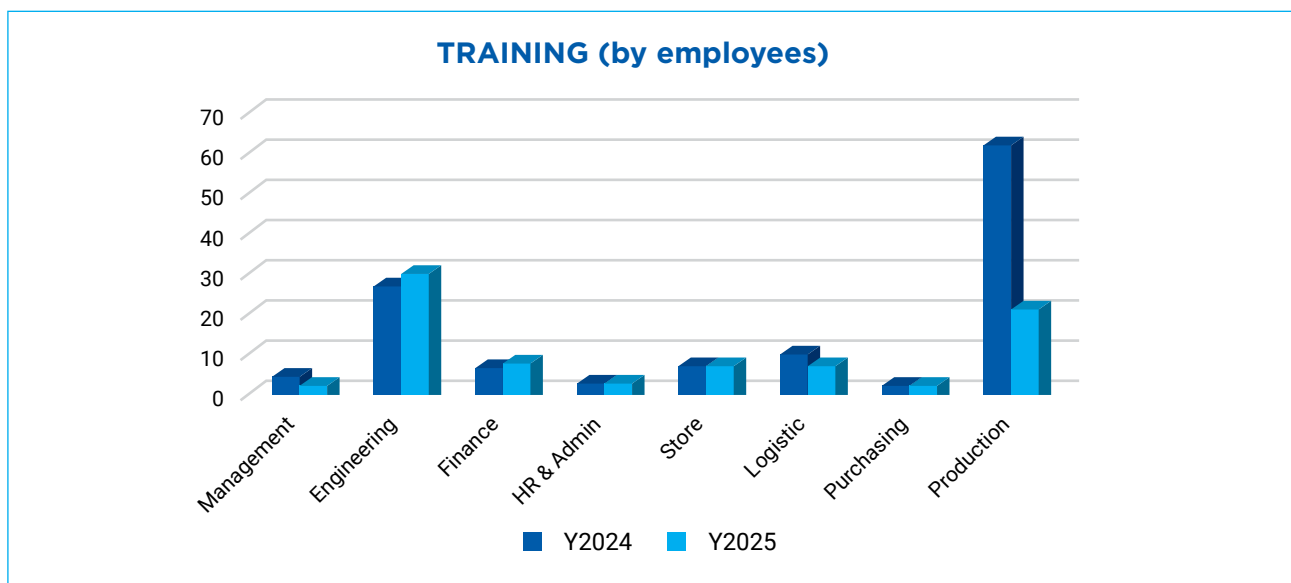
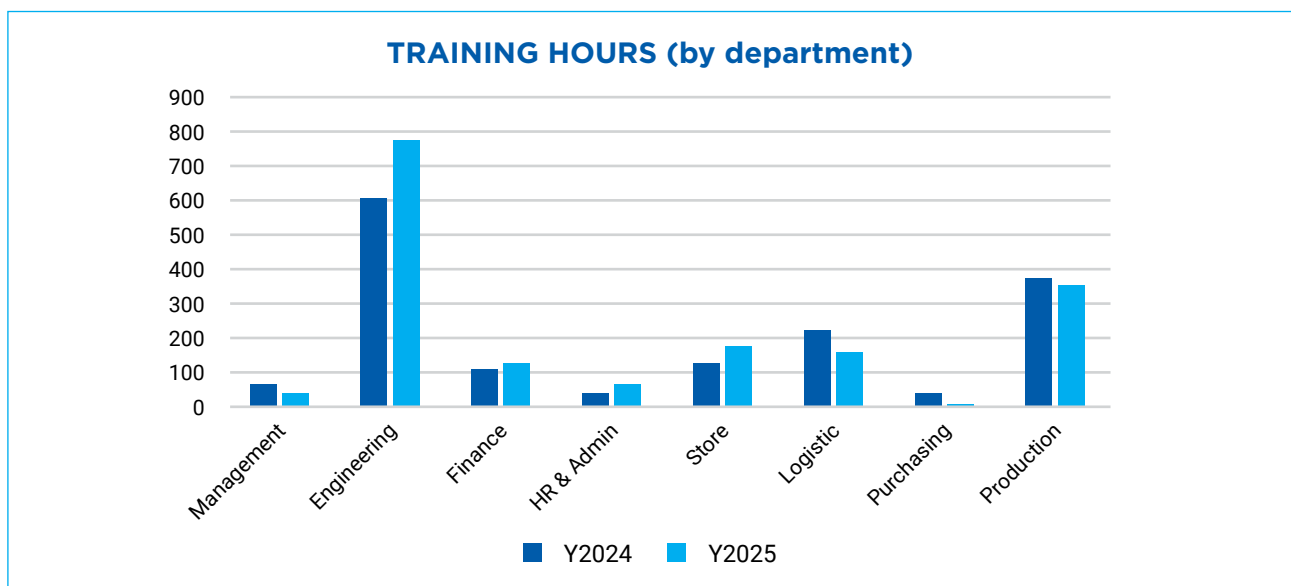
SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Talent Management (Cont'd)

A total of 80 employees participated in training programmes during FY2025, compared to 122 employees in FY2024, resulting in a training coverage rate of 42% (FY2024: 58%). While the participation rate declined during the year, this presents an opportunity for the Group to further expand access to training programmes and enhance workforce engagement in FY2026.

Moving forward, the Group remains committed to strengthening its talent development initiatives by broadening participation, enhancing training effectiveness, and ensuring continuous alignment with organisational and industry needs.





SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Employee Remuneration and Retention

As part of its talent management strategy, the Group ensures that all employees receive fair and competitive remuneration packages aligned with industry benchmarks. Compensation is determined based on role requirements, individual competencies, seniority, and tenure, ensuring a structured and equitable approach to remuneration across the organisation.

The Group remains committed to upholding fair pay practices and complies with all applicable regulatory requirements, including the Minimum Wage Order 2022. This commitment reflects the Group's focus on promoting equitable compensation and maintaining a supportive and inclusive workplace.

In addition to remuneration, the Group provides a comprehensive range of employee benefits designed to support overall well-being and work-life balance. These include annual leave, medical leave, maternity and paternity leave, marriage and compassionate leave, as well as hospitalisation coverage, insurance protection, and medical incentives.

Through these initiatives, the Group aims to enhance employee satisfaction, strengthen retention, and foster a positive work environment. By prioritising employee well-being and providing opportunities for growth and development, the Group remains committed to building a resilient and motivated workforce that contributes to its long-term success.

Community Investments

At Ecoscience, we are committed to being a responsible corporate citizen by actively investing in the well-being of the communities in which we operate. We believe that building strong community relationships enhances social inclusion and delivers long-term, meaningful impact. Our community investment efforts focus on education and social welfare, with the aim of empowering individuals, fostering inclusive growth, and contributing to the development of future talent aligned with our vision for sustainable growth.

In FY2025, the Group contributed RM7,000.00 towards community initiatives supporting public safety, social welfare, and education. These efforts reflect our continued commitment to delivering meaningful impact across the communities we serve.

Fire and Rescue Department (Bomba), Negeri Sembilan received a contribution of RM1,000 in February 2025 to support emergency response capabilities and enhance community safety. This initiative underscores the Group's commitment to supporting public safety services and strengthening community resilience.

Jawatankuasa Pengurusan Kuil Sri Maha Mariamman, Kelanang Baru received a donation of RM1,000 in support of community welfare activities. The contribution also supports the temple's role as a centre for social, cultural, and community engagement, reinforcing the Group's commitment to local community development.

Universiti Teknologi Malaysia (UTM) received an educational sponsorship of RM5,000 in support of the 11th International Biotechnology Competition and Exhibition (IBCEX'25). This initiative aims to encourage innovation, support student development, and promote academic excellence, contributing to the cultivation of future talent.



SUSTAINABILITY STATEMENT (CONT'D)



GOVERNANCE

Establishing sustainable governance is essential to ensuring the long-term viability and success of an organisation. This requires the implementation of comprehensive systems, procedures, and policies that integrate sustainability into core decision-making processes and day-to-day operations.

At the Group, we embed sustainable governance principles across all levels of the organisation to ensure our business strategies align with our values and long-term objectives. This alignment allows us to deliver value to all stakeholders in a responsible and transparent manner.

Over time, strong governance practices help build stakeholder trust, reduce exposure to operational and reputational risks, and enhance the Group's standing in the marketplace. Ultimately, this contributes to increased customer loyalty and sustained corporate success.

Policies and Governance Practices

The Group adopts a zero-tolerance approach towards bribery and corruption, recognising that ethical business conduct is fundamental to maintaining stakeholder trust and ensuring long-term sustainability. Upholding strong anti-corruption practices enables the Group to identify, assess, and mitigate risks, while safeguarding its reputation and protecting against potential financial and operational impacts. These practices also support the Group's broader ESG objectives by promoting integrity and accountability across its operations.

The Group is guided by its Anti-Bribery and Corruption Policy (SOP-CO-05-00), which establishes clear principles and standards for all employees, including Directors, in addressing ethical issues and carrying out their responsibilities with integrity. All new employees undergo an induction programme to familiarise themselves with the policy and related procedures, ensuring consistent understanding and adherence across the organisation.

In addition, the Group extends its ethical standards to its supply chain. Suppliers are required to comply with anti-bribery and corruption guidelines and must sign a declaration confirming their commitment to uphold these standards in their business dealings. The Group has also established a whistleblowing channel under its Whistleblowing Policy, providing employees and external stakeholders with a confidential and secure platform to report any suspected misconduct. Both policies are made accessible via the Group's corporate website to ensure transparency and awareness.

All employees have been briefed on the Group's anti-bribery and corruption policies and are required to sign an integrity pledge as part of their commitment to ethical conduct. As at 31 December 2025, the Group recorded zero confirmed incidents of corruption, reflecting the effectiveness of its governance framework, internal controls, and ongoing awareness initiatives.



SUSTAINABILITY STATEMENT (CONT'D)

GOVERNANCE (CONT'D)

Supply Chain Management

The Group recognises the importance of responsible procurement practices in managing ESG risks across its value chain. Ecoscience is committed to conducting its business in a responsible and sustainable manner by integrating ESG considerations into its procurement processes and decision-making framework. This approach supports ethical business practices, environmental stewardship, and positive social impact across its operations.

Procurement activities are governed by internal policies and procedures that incorporate ESG requirements. Sustainability considerations are embedded within supplier onboarding and evaluation processes to ensure alignment with ethical standards, occupational health and safety requirements, environmental responsibility, and human rights principles. In FY2025, the Group formally implemented sustainability screening as part of its supplier pre-qualification process, strengthening its ability to identify and mitigate ESG-related risks within the supply chain.

The Group also prioritises local sourcing where feasible, as part of its commitment to supporting local economies and reducing environmental impacts associated with transportation and logistics. In FY2025, total procurement spending amounted to RM101 million, of which approximately 97% was allocated to local suppliers. This reflects the Group's continued efforts to strengthen local partnerships and promote sustainable supply chain practices.

Looking ahead, the Group aims to further enhance its supply chain governance by achieving 100% sustainability screening for all new suppliers. It also seeks to maintain procurement spending from local suppliers at not less than 95% annually, while strengthening long-term relationships with strategic partners.

Through these initiatives, the Group remains committed to embedding ESG principles across its procurement and supply chain activities, ensuring responsible sourcing, effective risk management, and long-term value creation for its stakeholders.

Cybersecurity and Data Protection

In today's digital environment, robust cybersecurity practices are essential to maintaining stakeholder trust and safeguarding the integrity of the Group's operations. The Group is committed to protecting customer and business data, preserving privacy, and ensuring compliance with applicable data protection laws and recognised standards.

The Group's approach to data privacy and cybersecurity focuses on preventive controls, continuous monitoring, and ongoing improvement of systems and processes to mitigate cyber risks. This includes the implementation of internal controls, access management protocols, and employee awareness initiatives designed to reduce exposure to potential cybersecurity threats.

As of 31 December 2025, the Group recorded zero substantiated complaints relating to breaches of customer privacy or loss of data, and no confirmed cybersecurity breach incidents during the reporting period. This consistent performance across FY2023 to FY2025 reflects the effectiveness of the Group's cybersecurity framework and its commitment to maintaining high standards of data protection.

The Group recognises that safeguarding data privacy and cybersecurity is critical to fostering long-term stakeholder confidence and supporting responsible and sustainable business practices. As such, cybersecurity considerations are continuously reviewed and enhanced in line with evolving digital risks and regulatory expectations.



SUSTAINABILITY STATEMENT (CONT'D)

GOVERNANCE (CONT'D)

Cybersecurity and Data Protection (Cont'd)

Looking ahead, the Group is committed to further strengthening its cybersecurity resilience through ongoing initiatives. These include maintaining a zero-tolerance approach towards cybersecurity incidents through enhanced preventive controls and proactive risk management, achieving full cybersecurity compliance assessments for critical vendors and service providers, and expanding employee awareness and training programmes focusing on phishing prevention, data handling, and incident response.

In addition, the Group is exploring the gradual integration of advanced technologies, including AI-driven security analytics, to enhance real-time threat detection, monitoring, and incident prevention capabilities. These initiatives will support the Group's continued efforts to strengthen its cybersecurity posture and ensure the protection of its digital assets.

STATEMENT OF ASSURANCE

We did not engage any advisor/auditor to give assurance opinion on the sustainability data.

PERFORMANCE DATA TABLE

Ecoscience International Berhad BMLR Transition Period

Date & Time: 2026-04-21_09:21:41
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Anti-Corruption	Confirmed incidents of corruption and action taken	Number	0	0	No assurance	
Climate Change	Scope 1 GHG Emission	tCO2e	1,654	Improve fuel efficiency of construction equipment year-on-year	No assurance	
Climate Change	Scope 2 GHG Emission	tCO2e	188	Reduce electricity consumption per project through better site energy management. Increase awareness and adoption of energy-efficient practices at project sites	No assurance	Based on the factor of 0.758 kgCO2e/kWh
Community Investment	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	7000	-	No assurance	
Cybersecurity	Confirmed incidents of breach and action taken	Number	0	0	No assurance	
Diversity, Equity & Inclusion	Percentage of employees - Male	Percentage	86	-	No assurance	
Diversity, Equity & Inclusion	Percentage of employees - Female	Percentage	14	-	No assurance	
Diversity, Equity & Inclusion	Percentage of employees - Local	Percentage	49	-	No assurance	
Diversity, Equity & Inclusion	Percentage of employees - Foreign	Percentage	51	-	No assurance	
Diversity, Equity & Inclusion	Percentage of employees - 20-29	Percentage	39	-	No assurance	
Diversity, Equity & Inclusion	Percentage of employees - 30-39	Percentage	32	-	No assurance	

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Page 1 of 3



SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY STATEMENT (CONT'D)

PERFORMANCE DATA TABLE

Ecoscience International Berhad BMLR Transition Period

Date & Time: 2026-04-21_09:21:41
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity, Equity & Inclusion	Percentage of employees - 40-49	Percentage	19	-	No assurance	
Diversity, Equity & Inclusion	Percentage of employees - 50-59	Percentage	7	-	No assurance	
Diversity, Equity & Inclusion	Percentage of employees - >60	Percentage	3	-	No assurance	
Employee Management	Total hours of training	Hours	1,716	-	No assurance	
Employee Management	Percentage of training coverage	Percentage	42	-	No assurance	
Employee Management	Average training hours per trained employee	Hours	215	-	No assurance	
Health and Safety	Number of employees and contractors trained on health and safety standard	Number	197	-	No assurance	
Health and Safety	Number of fatalities	Number	0	0	No assurance	
Health and Safety	Number of lost time injuries	Number	1	0	No assurance	
Supply Chain Management	Percentage of local suppliers	Percentage	97	>95	No assurance	
Waste Management	Total waste engine oil generated	kg	150	-	No assurance	
Waste Management	Total general waste generated	kg	56,520	-	No assurance	
Water Management	Total water consumption - HQ office	Cubic meter	4,425	-	No assurance	
Water Management	Total water consumption - Site project	Cubic meter	339,454	-	No assurance	
Water Management	Total water consumption - Workers' hostel	Cubic meter	2,796	-	No assurance	

SUSTAINABILITY STATEMENT (CONT'D)

PERFORMANCE DATA TABLE

Ecoscience International Berhad BMLR Transition Period

Date & Time: 2026-04-21_09:21:41
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Water Management	Rainwater tank usage	Cubic meter	9,802	-	No assurance	



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of Ecoscience International Berhad (“EIB” or the “Company”) recognises the importance of maintaining high standards of corporate governance to promote transparency, accountability, integrity and effective management within the Company. In discharging its responsibilities, the Board is committed to establishing and maintaining robust corporate governance practices throughout the Company and its subsidiaries (“Group”). These practices are designed to enhance shareholder value and are aligned with the principles and recommended practices of the Malaysian Code on Corporate Governance (“MCCG”).

This Corporate Governance Overview Statement (“CG Statement”) is prepared in augmented with a Corporate Governance Report based on prescribed format as enumerated in Rule 15.25 of the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) so as to provide a detailed articulation on the application of the Group’s corporate governance practices as set out in the MCCG.

This CG Statement should also be read together with the Company’s Corporate Governance Report for the financial year ended 31 December 2025 (“CG Report”) which is available on the Company’s website at www.ecosciencegroup.com and the Company’s announcement on the website of Bursa Securities at www.bursamalaysia.com.

The Board is pleased to set out below the manner in which the Group has applied the three (3) main principles in the MCCG during the financial year ended 31 December 2025 (“FYE 2025”), which are 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.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

PART I – BOARD RESPONSIBILITIES

1.1 Board and Board Committees

The Board takes full responsibility for the performance of the Group and leading the Group towards achieving its short and long-term objectives, setting corporate strategies for growth and new business development. The Board has delegated the day-to-day operations of the Group to the Managing Director (“MD”) and the Executive Director (“ED”). They manage the Group in accordance with the strategies and policies approved by the Board.

For the Board to discharge their functions and responsibilities orderly and effectively, the Board has delegated specific powers and responsibilities to the following Board Committees:

- (a) Audit and Risk Management Committee (“ARMC”);
- (b) Nomination Committee (“NC”); and
- (c) Remuneration Committee (“RC”).

The functions of each Board Committee are set out in the Terms of Reference (“TOR”) of the respective Committees which were approved by the Board. The TOR of each Board Committee are available on the Company’s website at www.ecosciencegroup.com and will be annually or periodically reviewed by the NC and/or Board in accordance with the needs of the Company.

The principal roles and responsibilities of the Board are as follows:

- (a) Formulating a strategic plan for the Company and tailoring the same from time to time by taking practical, realistic and holistic approaches;
- (b) Reviewing, challenging and deciding on management’s proposals and monitor its implementation;
- (c) Promoting good corporate governance culture within the Group;
- (d) Identifying principal risks and ensuring the implementation of appropriate systems to mitigate these risks;
- (e) Reviewing the adequacy and integrity of the Company’s internal control systems for compliance with applicable laws, regulations, rules and guide;
- (f) Assessing management’s response to ensure the Company’s business is properly managed and sustained; and
- (g) Overseeing the development and implementation of the investor relations programme.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I – BOARD RESPONSIBILITIES (CONT'D)

1.2 The Chairman of the Board

The Chairman of the Board, Dato' Tan Yee Boon, who is an Independent Non-Executive Chairman, is responsible for leading the Board in ensuring the integrity and effectiveness of the Group's corporate governance practices, acts as a facilitator at the meetings and ensures that Board proceedings comply with good conduct and best practices.

The Chairman carries out a leadership role in the conduct of the Board and the primary responsibilities of the Chairman are, amongst others, as follows:

- (a) Providing leadership for the Board in ensuring the Board discharge its responsibilities effectively;
- (b) The efficient organisation and conduct of the Board's function, chairing Board meetings and encouraging all directors to play an active role in Board activities;
- (c) Taking the lead in setting the values and standards of the Company;
- (d) Ensuring complete and accurate information is furnished to Board members on a timely basis to facilitate decision-making;
- (e) Ensuring accurate and timely information, in particular, the performance of the Company, is furnished to Board members;
- (f) Setting the Board meeting agenda and ensuring that the complete and accurate information will be received by the Directors and adequate time is allocated for discussion of issues tabled to the Board for deliberation;
- (g) Encouraging active participation at Board meetings and allowing dissenting views to be freely expressed;
- (h) Chairing general meetings of shareholders and ensuring orderly conduct and proceedings of such meetings;
- (i) Ensuring effective communication with shareholders and stakeholders and that their views are communicated to the Board as a whole; and
- (j) Facilitating the contribution of Non-Executive Directors and ensuring constructive relations be maintained between Executive and Non-Executive Directors.

The Board believes that the Chairman of the Board should not participate in any Board Committees. This is to uphold checks and balances while preserving objectivity, ensuring that the Chairman's role, which includes overseeing the Board's activities, remains independent from committee decisions. Therefore, in adherence to the MCCG guidelines, the Chairman of the Board does not hold membership in any Board Committees.

1.3 The Chairman and MD

The Board recognises the importance of having a clearly accepted division of power and responsibilities between the Chairman and the MD of the Company to ensure a balance of power and authority.

Therefore, the positions of the Chairman and the MD were held by two (2) different individuals in compliance with Practice 1.3 of the MCCG.

The Chairman of the Board shall be responsible for instilling good governance practices and leading the Board in its collective oversight of management, whilst the MD bears overall responsibilities for the Group's business performance and managing the Group in accordance with the strategies and policies approved by the Board. The MD is also responsible for the day-to-day operations of the Group, within the authorities as delegated by the Board.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I – BOARD RESPONSIBILITIES (CONT'D)

1.4 Qualified and Competent Company Secretary

The Board is supported by two (2) Company Secretaries nominated by Cospec Management Services Sdn. Bhd. (“CMS”) who are experienced and qualified to act as company secretaries under Section 235(2) of the Companies Act 2016 and are registered holders of the Practicing Certificate issued by the Companies Commission of Malaysia. All Directors have access to the advice and services of the Company Secretaries.

The Company Secretaries consistently participate in the relevant training programmes, conferences, or seminars organised by the relevant authorities and/or professional bodies. This ensures they stay updated on corporate governance developments and changes in regulatory requirements that are relevant to their role and enable them to provide the necessary advisory services to the Board.

The Board acknowledges that the Company Secretaries play an important role and will ensure that the Company Secretaries fulfil the functions for which they have been appointed.

During the FYE 2025, all Board and Board committee meetings were properly convened, accurate and proper records of the proceedings and resolutions passed were taken and maintained in the statutory records of the Company.

1.5 Meeting of Board and Board Committees

To facilitate the Directors’ time planning, an annual meeting calendar is prepared in advance of each new year by the Company Secretaries. The meeting calendar provides the Directors with scheduled dates for meetings of the Board and Board committees as well as the annual general meeting (“AGM”). The closed periods for dealing in securities by Directors and principal officers based on the scheduled dates of meeting for making announcements of the Group’s quarterly results were also provided therein.

The notices of the Board and Board Committees meetings together with the meeting papers are generally furnished to the Board members within five (5) working days prior to the dates of meetings. This is to ensure that the Directors have sufficient preparation time and information to make an informed decision at each meeting. The Management and other advisers are invited to attend the meetings to report and brief on their respective areas of responsibility, if required.

The deliberations and conclusions of matters discussed in the Board or Board Committees meetings are duly recorded in the minutes of meetings and kept at the registered office of the Company. The draft minutes are circulated for the Board or Committee Chairman’s review within a reasonable timeframe after the meetings. The minutes of meetings accurately captured the deliberations and decisions of the Board and/or Board Committees, including whether any Director abstains from voting or deliberating on a particular matter.

For matters which require the Board’s decision on an urgent basis outside of Board Meetings, relevant supporting documents along with the Directors’ Written Resolution will be circulated for the Board’s consideration. All written resolutions approved by the Board will be tabled for notation at the next Board Meeting.

1.6 Board Charter

The Board has formalised and adopted a Board Charter which sets out the role, composition, duties and responsibilities of the Board and ensures that all Board member acting on behalf of the Company are aware of their duties and responsibilities as Board members.

The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board’s responsibilities.

The Board Charter is published on the Company’s website at www.ecosciencegroup.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I – BOARD RESPONSIBILITIES (CONT'D)

1.7 Code of Conduct

The Board has adopted a Code of Conduct for Directors in order to adhere to the general principles and standards of business conduct and ethical behaviour in the performance and exercise of their responsibilities as Directors of the Company in order to uphold good corporate integrity which ultimately serves as a ground rule to the employees of the Company in their discharge of respective duties and responsibilities.

The Code of Conduct will be reviewed from time to time to ensure the information remains relevant and appropriate. The Code of Conduct is available on the Company's website at www.ecosciencegroup.com.

1.8 Anti-Bribery and Corruption Policy ("ABC Policy")

In line with the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("MACC Act 2018"), the Company has put in place an ABC Policy to encourage a culture of integrity and transparency in all of the Group's activities. The ABC Policy which adheres to the AMLR of Bursa Securities and the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the MACC Act 2018, generally set out the responsibilities of the Company, and all individuals who work for the Group, in observing and upholding the Group's position on bribery and corruption and provides key anti-bribery and corruption principles that apply to all interactions with the Group's customers, business partners, and other third parties, as well as guidelines for the prevention, management, and remediation of bribery and corruption related risk.

The ABC Policy will be reviewed at least once in every three (3) years and in accordance with the needs of the Company.

The ABC Policy is available on the Company's website at www.ecosciencegroup.com.

1.9 Whistle Blowing Policy

The Group has adopted a Whistle Blowing Policy to provide an avenue for the employees of the Group and members of the public to raise genuine concerns of any wrongdoing or improper conduct involving the Group and its directors or employees.

The Whistle Blowing Policy will be reviewed at least once every three (3) years to ensure its effectiveness and alignment with governing legislation and regulatory requirements.

The Whistle Blowing Policy is available on the Company's website at www.ecosciencegroup.com.

1.10 Directors' Fit and Proper Policy

In line with Rule 15.01A of the AMLR of Bursa Securities, the Board had adopted a Directors' Fit and Proper Policy to ensure that Directors possess the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out their roles and responsibilities effectively in the best interest of the Company and its stakeholders.

The Board will regularly review the Directors' Fit and Proper Policy and may revise it as deemed necessary to align with the Board's objectives, current laws and practices. The Directors' Fit and Proper Policy is available on the Company's website at www.ecosciencegroup.com.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I – BOARD RESPONSIBILITIES (CONT'D)

1.11 Sustainability Governance

The Board emphasises the importance of sustainable business practices in creating long-term value, recognising that responsible business conduct is fundamental to achieving operational excellence.

Structural oversight of sustainability, including strategies, priorities, and targets, rests with the Board, while Management is entrusted with operational execution concerning Environmental, Social, and Governance (ESG) factors as integral components of the Group's corporate strategy.

As fiduciary to the Company's shareholders, the Board prioritises upholding exemplary corporate governance practices, marked by a dedication to ethics, integrity, and corporate responsibility. Additionally, the Board ensures that both internal and external stakeholders are well-informed about the Company's sustainability strategies, priorities, targets, and overall performance, as detailed in the Sustainability Statement within this Annual Report.

The Board also incorporated the assessment of the Board's understanding of sustainability issues in the annual performance evaluation that are critical to the Company's performance.

PART II – COMPOSITION OF THE BOARD

2.1 Board Composition

The Board is committed to ensuring that its composition not only reflects the diversity as recommended by MCCG, as best as it can, but also the right mix of skills and balance to contribute to the achievement of the Group's goal and business objectives.

The current Board consists of six (6) members and the composition of the current Board is set out in the table below:-

No.	Names	Designation
1.	Dato' Tan Yee Boon	Independent Non-Executive Chairman
2.	Wong Choi Ong	Non-Independent Executive Director/Managing Director
3.	Thing Jin Suan	Non-Independent Executive Director
4.	Ang Chye Kian	Independent Non-Executive Director
5.	Law Sang Thiam	Independent Non-Executive Director
6.	Shu Ling Ling (Appointed on 3 June 2025)	Independent Non-Executive Director

The current Board composition adheres to Rule 15.02 of the AMLR of Bursa Securities, which requires that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, be independent Directors. It also aligns with Practice 5.2 of the MCCG, ensuring that at least half of the Board consists of Independent Non-Executive Directors. This structure provides independent and objective judgement, effective checks and balances and protects the interests of minority shareholders and other stakeholders while maintaining high standards of conduct and integrity.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II – COMPOSITION OF THE BOARD (CONT'D)

2.2 Tenure of Independent Directors

In line with the Practice 5.3 of the MCCG and in accordance with the Board Charter, the tenure of an independent director should not exceed a term limit of nine (9) years. In the event that the Board intends to retain the independent director beyond the nine (9) years, the Board should provide justification and seek annual shareholders' approval through a two-tier voting process and the manner to obtain the shareholders' approval on the resolution shall follow the recommendation of MCCG. Additionally, the Board is aware that, according to the AMLR of Bursa Securities, the tenure of an Independent Director should not exceed a cumulative term of twelve (12) years.

During FYE 2025, none of the Independent Directors of the Company whose tenure has exceeded a cumulative term of nine (9) years. Based on the assessment conducted during the financial year under review, the Board is satisfied with the independence and performance of all Independent Non-Executive Directors, confirming their ability to act in the best interests of the Company.

2.3 Appointment to the Board

The principal responsibility for making recommendations on the appointment of new Directors and the re-election of retiring Directors has been delegated to the NC.

In evaluating potential candidates, the NC considers not only academic qualifications but also relevant industry experience, to ensure that candidates are able to contribute meaningfully to the Board and support the Company's growth. In making recommendations to the Board on candidates for directorship, the NC assesses and nominates candidates based on objective criteria, including, inter alia:-

- (a) character and integrity;
- (b) experience and competence;
- (c) time commitment to the Company, taking into account the number of directorships held; and
- (d) for candidates to the position of Independent Non-Executive Director, the ability to discharge the roles and responsibilities expected of an Independent Non-Executive Director.

All Directors comply with the requirement under Rule 15.06 of the AMLR of Bursa Securities, which limits the number of directorships held in listed issuers to not more than five (5).

During the financial year under review, there was one (1) new appointment of Director, as recommended by the NC, as follows:-

Name	Date of Appointment	Designation
Shu Ling Ling	3 June 2025	Independent Non-Executive Director

2.4 Board Diversity and Senior Management Team

The Board recognises the importance of diversity within its composition and that of the Senior Management Team, as recommended by the MCCG. To support this diversity agenda, Directors and senior management are selected from a varied pool based on objective criteria and merit, with careful consideration given to diversity in skills, knowledge, experience, age, cultural background, gender, and contributions.

Currently, there are two (2) female members on the Board, namely Ms. Ang Chye Kian and Ms. Shu Ling Ling which representing 33% of the total Board members. The female Directors provide the Board with gender diversity that serves to bring value to the Board discussions from different perspectives and approaches as well as different leadership styles.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II – COMPOSITION OF THE BOARD (CONT'D)

2.5 Board Committees

The Board Committees are established to handle specific responsibilities within clearly defined TOR, ensuring that the Board's overall workload is managed effectively. By delegating certain tasks to these committees, the Board members can allocate their time more efficiently and focus on broader strategic issues.

These Board Committees are empowered to thoroughly investigate and address particular matters, providing analysis and recommendations to the Board. This structure allows for more in-depth consideration of complex issues and ensures that all aspects of the Board's responsibilities are handled with appropriate expertise and attention. Consequently, the Board can make more informed decisions, leveraging the specialised knowledge and focused efforts of its committees.

The Board has established three (3) Board Committees and the membership of each committee is set out in the table below:-

Composition	ARMC	NC	RC
Law Sang Thiam <i>(Independent Non-Executive Director)</i>	Chairman	Member	Member
Ang Chye Kian <i>(Independent Non-Executive Director)</i>	Member	Member	Chairperson
Shu Ling Ling <i>(Independent Non-Executive Director)</i>	Member	Chairperson	Member

The TOR of the respective Board Committees are available on the Company's website at www.ecosciencegroup.com.

2.6 NC

The NC which comprises of three (3) Independent Non-Executive Directors is to support and advise the Board in fulfilling their responsibilities to shareholders in ensuring that the Board consists of the right group of people, with an appropriate mix of skills, knowledge, experience and independent elements that fit the Company's objectives and strategic goals.

The NC operates under a written TOR that outlines its authority and duties, including the selection and assessment of Directors. The TOR incorporates relevant practices recommended by the MCCG and is available on the Company's corporate website at www.ecosciencegroup.com.

During the FYE 2025, the following are the summary of activities undertaken by the NC:-

- Reviewed and assessed the performance of the ARMC, and the Board and the Board Committee as a whole.
- Reviewed and assessed the independence of the Independent Directors of the Company.
- Reviewed and assessed the performance of all Directors of the Company.
- Reviewed and recommended to the Board the re-election of Directors who were due for retirement at the AGM.
- Reviewed and considered the nomination of new Director of the Company.
- Reviewed and recommended to the Board for approval, the changes in the composition of the Committees.

2.7 Re-election and Re-appointment of Directors

In accordance with the AMLR of Bursa Securities and the Company's Constitution, one-third (1/3) of the Directors of the Company for the time being shall retire at the AGM of the Company provided always that all Directors shall retire from office at least once (1) in every three (3) years but shall be eligible for re-election at the AGM. Additionally, the Directors appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the conclusion of the next AGM and shall be eligible for re-election.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II – COMPOSITION OF THE BOARD (CONT'D)

2.7 Re-election and Re-appointment of Directors (Cont'd)

In assessing the candidates' eligibility for re-election, the NC considers their competencies, commitment, contribution, and performance based on their respective performance evaluation to the Board and their ability to act in the best interest of the Company.

The Board makes recommendations concerning the re-election, re-appointment and continuation in office of any Director for shareholders' approval at the AGM.

2.8 Annual Assessment of Effectiveness of the Board and Board Committees as a whole

The Board has, through the NC, undertaken a formal assessment to assess the effectiveness of the Board and Board Committees as a whole and the contribution of each individual Director, including the independence of the Independent Non-Executive Directors, referring to the guides available and the good corporate governance compliance.

In evaluating the performance of Non-Executive Directors, the assessment comprises amongst others, the attendance at Board or Committee meetings, adequate preparation for Board and/or Committee meetings, regular contribution to Board or Committee meetings, personal input to the role and other contributions to the Board or Committee as a whole.

Whilst, in evaluating the performance of Executive Directors, the assessment was carried out against diverse key performance indicators, amongst others, financial, strategic and sustainability, conformance and compliance, business acumen or increase shareholders' wealth, succession planning and personal input to the role.

2.9 Attendance of Board and Board Committees' Meetings

The Board meets at least once every quarter on a scheduled basis and additional meetings are to be convened as and when necessary by the Board. All the Directors fulfilled the requirements of the AMLR of Bursa Securities of having at least 50% of Board meetings held by the Company for the FYE 2025.

The attendance records of each Board member at the Board and Board Committees meeting held during the FYE 2025 as follows:-

Type of Meetings Name of Directors	Board of Directors	ARMC	NC	RC
	No. of Meetings Attended			
Dato' Tan Yee Boon	4/5	N/A	N/A	N/A
Wong Choi Ong	5/5	N/A	N/A	N/A
Thing Jin Suan	5/5	N/A	N/A	N/A
Law Sang Thiam	4/5	4/5	1/1	1/1
Ang Chye Kian	5/5	5/5	1/1	1/1
Andrea Huang Jia Mei ⁽¹⁾	3/3	3/3	1/1	1/1
Shu Ling Ling ⁽²⁾	2/2	2/2	N/A	N/A

Notes:

⁽¹⁾ Ms. Andrea Huang Jia Mei was retired as an Independent Non-Executive Director of the Company on 30 May 2025.

⁽²⁾ Ms. Shu Ling Ling was appointed as an Independent Non-Executive Director of the Company on 3 June 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II – COMPOSITION OF THE BOARD (CONT'D)

2.10 Directors' Training

The Directors are encouraged to attend continuous education programmes/seminars/conferences and shall as such receive further training from time to time to keep themselves abreast of the latest development in statutory laws, regulations and best practices, where appropriate, in line with the changing business environment and enhance their business acumen and professionalism in discharging their duties to the Group. Further, all Directors, including newly appointed Directors, are required to attend the Mandatory Accreditation Programme as prescribed by Bursa Securities from time to time.

Details of seminars/conferences/training programmes attended by the Board members during the FYE 2025 as listed below:

Name of Directors	Seminars/Conferences/Training Programmes Attended
Dato' Tan Yee Boon	<ul style="list-style-type: none"> ▪ Briefing on the Key Amendments to the ACE Market Listing Requirement of Bursa Malaysia Securities Berhad ▪ The Role of Independent Non-executive Directors in Corporate Governance by Hong Kong Securities and Investment Institute ▪ E-learning Course on Continuing disclosure obligations and trading halts by Hong Kong Stock Exchange ▪ Briefing on the Key Amendments to the ACE Market Listing Requirement of Bursa Malaysia Securities Berhad
Wong Choi Ong	<ul style="list-style-type: none"> ▪ Briefing on the Key Amendments to the ACE Market Listing Requirement of Bursa Malaysia Securities Berhad ▪ Mandatory Accreditation Programme Part II: Leading for Impact (LIP) ▪ Briefing on the Key Amendments to the ACE Market Listing Requirement of Bursa Malaysia Securities Berhad
Thing Jin Suan	<ul style="list-style-type: none"> ▪ Briefing on the Key Amendments to the ACE Market Listing Requirement of Bursa Malaysia Securities Berhad ▪ Mandatory Accreditation Programme Part II: Leading for Impact (LIP) ▪ Briefing on the Key Amendments to the ACE Market Listing Requirement of Bursa Malaysia Securities Berhad
Law Sang Thiam	<ul style="list-style-type: none"> ▪ Briefing on the Key Amendments to the ACE Market Listing Requirement of Bursa Malaysia Securities Berhad ▪ Latest Tax Implications on Digital Transactions in Malaysia ▪ Case Study – Based MFRS Webinar: MFRS Updates You Need to Know ▪ Navigating Stamp Duty Shift: Focus on Employment, Services & Rental Contracts ▪ Seminar Percukaian Kebangsaan 2025 (Belanjawan 2026) ▪ Accounting for Substantial Investment Interests and Business Combinations under MPERS - Updated for ED 80 MPERS and IFRS for SMEs 3rd Edition ▪ Practical Guide in Applying ISA540 Auditing Accounting Estimates and Related Disclosures to Recognise Revenue under MFRS 15 Revenue from Contracts with Customers ▪ 2026 Budget Seminar ▪ Briefing on the Key Amendments to the ACE Market Listing Requirement of Bursa Malaysia Securities Berhad
Ang Chye Kian	<ul style="list-style-type: none"> ▪ Briefing on the Key Amendments to the ACE Market Listing Requirement of Bursa Malaysia Securities Berhad ▪ Mandatory Accreditation Programme Part II: Leading for Impact (LIP) ▪ Briefing on the Key Amendments to the ACE Market Listing Requirement of Bursa Malaysia Securities Berhad
Shu Ling Ling (appointed on 3 June 2025)	<ul style="list-style-type: none"> ▪ Mandatory Accreditation Programme (MAP) ▪ Briefing on the Key Amendments to the ACE Market Listing Requirement of Bursa Malaysia Securities Berhad

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II – COMPOSITION OF THE BOARD (CONT'D)

2.10 Directors' Training (Cont'd)

The Board would continuously, evaluate and assess the training needs of each Director to keep them abreast with the state of the economy, technological advances, regulatory updates, management strategies and development in various aspects of the business environment to enhance the Board's skills and knowledge in discharging its responsibilities.

PART III – COMPOSITION OF THE BOARD

3.1 Remuneration Policy

The Board had through RC, established formal and transparent remuneration policy with set out the principles and guidelines for the Board and RC to determine the remuneration of Executive Directors, Non-Executive Directors and Senior Management of the Company which takes into account the demand complexities, performance and prospects of the Company as well as skills, experience required and performance.

The remuneration is reviewed by the RC on annual basis prior to making its recommendations to the Board for approval. In its review, the RC considers various factors including the Directors' fiduciary duties, time commitment and expertise expected from them and the Company's performance.

The Remuneration Policy is available on the Company's website at www.ecosciencegroup.com.

3.2 Remuneration of Directors

The details of the Directors' remuneration comprising remuneration and material benefits-in-kind received from the Company and the Group for the FYE 2025 are as follows:-

(a) The Company

Category	Salaries (RM)	Fees (RM)	Benefits-in-kind (RM)	*Other emoluments (RM)	Total (RM)
Executive Directors					
Wong Choi Ong	–	–	–	–	–
Thing Jin Suan	–	–	–	–	–
Non-Executive Directors					
Dato' Tan Yee Boon	–	66,000	–	4,000	70,000
Law Sang Thiam	–	39,600	–	4,000	43,600
Ang Chye Kian	–	39,600	–	5,000	44,600
Andrea Huang Jia Mei (retired on 30 May 2025)	–	15,000	–	3,000	18,000
Shu Ling Ling (appointed on 3 June 2025)	–	23,100	–	2,000	25,100

Note:

* Other emoluments comprise contributions to Employees Provident Fund, Social Security Organisation and Employment Insurance System, and allowances.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART III – COMPOSITION OF THE BOARD (CONT'D)

3.2 Remuneration of Directors

(b) The Group

Category	Salaries (RM)	Fees (RM)	Benefits-in-kind (RM)	*Other emoluments (RM)	Total (RM)
Executive Directors					
Wong Choi Ong	1,478,400	–	23,950	127,613	1,629,963
Thing Jin Suan	420,000	–	20,163	59,213	499,375
Non-Executive Directors					
Dato' Tan Yee Boon	–	66,000	–	4,000	70,000
Law Sang Thiam	–	39,600	–	4,000	43,600
Ang Chye Kian	–	39,600	–	5,000	44,600
Andrea Huang Jia Mei (retired on 30 May 2025)	–	15,000	–	3,000	18,000
Shu Ling Ling (appointed on 3 June 2025)	–	23,100	–	2,000	25,100

Note:

* Other emoluments comprise contributions to Employees Provident Fund, Social Security Organisation and Employment Insurance System, and allowances.

3.3 Remuneration of Senior Management

The details of the remuneration of the top four (4) Key Senior Management in each successive band of RM50,000 during the FYE 2025 are as follows:-

Range of Remuneration (RM)	Number of Employees
50,000 – 100,000	1
200,000 – 250,000	1
350,000 – 400,000	1
500,000 – 550,000	1

Due to the confidentiality and sensitivity of the remuneration packages of Key Senior Management as well as security concerns, the Board opts not to disclose the Key Senior Management's remuneration components on a named basis in the bands of RM50,000.

The Board is of the view that the disclosure of the remuneration of Key Senior Management on a named basis would be not in the best interest of the Company given the competitive human resources environment that may give rise to recruitment and talent retention issues. The Board is of the opinion that the disclosure of Key Senior Management's aggregated remuneration on an unnamed basis in the bands of RM50,000 is adequate.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

PART I – ARMC

4.1 Effective and Independent ARMC

The ARMC is responsible for overseeing the Group's corporate accounting, financial reporting practices, system of risk management and internal control, the audit process and the process of monitoring compliance with laws and regulations.

The ARMC is chaired by Mr. Law Sang Thiam, an Independent Non-Executive Director who is distinct from the Chairman of the Board. All the members of the ARMC are financial literate, whilst the Chairman of the ARMC is a member of the Malaysian Institute of Accountants.

The ARMC comprises three (3) members. The composition of the ARMC complies with Rules 15.09 and 15.10 of the AMLR of Bursa Securities and the recommendation of MCCG whereby all three (3) ARMC members are Independent Non-Executive Directors. None of the Independent Non-Executive Directors has appointed alternate directors.

None of the members of the ARMC were former key audit partners and to uphold utmost independence, the Board has no intention to appoint any former key audit partner as member of the ARMC.

The members of the ARMC possess the necessary skills and knowledge to fulfil their responsibilities as outlined in the ARMC's TOR, including expertise in financial reporting. They are committed to continuous education to stay current with accounting and auditing standards, practices, and regulations, ensuring their active and informed participation in deliberations.

4.2 External Auditors

The Board maintains a transparent and professional relationship with the Group's External Auditors through the ARMC. In determining the independence of the external auditors, the ARMC reviewed and assessed all aspects of their relationships with them including the processes, policies and safeguards adopted by the Group and the External Auditors relating to audit independence. The ARMC also reviewed and assessed the external auditor's performance and independence.

The ARMC meets the External Auditors to review the scope and adequacy of the audit process, updates on the financial reporting standards, the financial statements and their audit findings.

In addition, the External Auditors are invited to attend the Company's AGM so that they are available to answer any questions from shareholders on the conduct of the statutory audit and the contents of the Annual Audited Financial Statements.

PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

5.1 Risk Management and Internal Control Framework

The Board is entrusted with the overall responsibility of continually maintaining a sound system of risk management and internal controls, which covers not only financial controls but also operational and compliance controls as well as risk management, and the need to review its effectiveness regularly in order to safeguard stakeholders' interest and the Group's assets. The internal control system is designed to assess current and emerging risks and respond appropriately to the risks encountered.

As an effort to enhance the system of risk management and internal controls, the Board together with the assistance of an external professional Internal Audit firm adopted on-going monitoring and review of the existing risk management process in place within the various business operations, with the aim of formalising the risk management functions across the Group. This function also acts as a source to assist the ARMC and the Board to strengthen and improve current management and operating style in pursuit of best practices.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

5.1 Risk Management and Internal Control Framework (Cont'd)

As an ongoing process, significant business risks faced by the Group are identified and evaluated, and consideration is given to the potential impact in achieving the business objectives. This includes examining principal business risks in critical areas, assessing the likelihood of material exposures and identifying the measures taken to mitigate, avoid or eliminate these risks. This process is regularly reviewed and is in accordance with the Statement on Risk Management and Internal Control: Guidance for Directors of Public Listed Companies.

The Statement on Risk Management and Internal Control of the Group is set out in the Annual Report which provides an overview of the state of risk management and internal controls within the Group.

5.2 Internal Audit Function

The internal audit function of the Group is outsourced to GovernanceAdvisory.com Sdn. Bhd. ("GA"), an independent professional consulting company, which is independent of the activities and operations of the Group as its Internal Control Consultant to review the adequacy and sufficiency of systems, procedures and controls of the Group.

The ARMC had obtained assurance from GA confirming that they are, and have been, independent throughout the conduct of the internal audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The internal audit functions and activities carried out during the FYE 2025 are as disclosed in the ARMC Statement in this Annual Report.

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

PART I – COMMUNICATION WITH STAKEHOLDERS

6.1 Continuous Communication with Stakeholders

The Board recognises the need for stakeholders and the wider investment community to ensure that they are kept informed of all material business matters affecting the Group. This is done through the timely dissemination of information on the Group's performance and major developments which are communicated via the following channels:-

- (a) Annual Reports on the Company's and Bursa Securities' websites;
- (b) Annual General Meetings and/or Extraordinary General Meetings;
- (c) Disclosures and announcements, including quarterly financial results; and
- (d) Press releases (if any).

The Board is committed to maintaining transparent and timely communication with investors and the public. It strictly adheres to Bursa Securities' disclosure framework, ensuring that all information shared is accurate, complete, and provided promptly. The Board also ensures that material information is announced without delay and that confidential information is properly managed by authorised personnel to prevent any leakage or misuse.

To further support transparency, the Company's corporate website at www.ecosciencegroup.com serves as a central platform for shareholders and the public to access key corporate information, including the Board Charter, relevant policies, announcements, news, and events.



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

PART II – CONDUCT OF GENERAL MEETING

7.1 Conduct of General Meetings

General meetings serve as an invaluable platform for shareholders to engage with the Board and Key Senior Management in productive dialogue and provide constructive feedback that contributes to the overall betterment of the Group. The Board will ensure that each item of special business included in the notices of the meeting is accompanied by a full explanation of that resolution and its effects to facilitate its understanding and evaluation.

In line with Practice 13.1 of MCCG, the notice convening the Fourth ("4th") AGM was issued to shareholders at least twenty-eight (28) days before the 4th AGM, to allow shareholders to have additional time to go through the Annual Report and make the necessary attendance and voting arrangements. The notice of AGM, which sets out the business to be transacted at the AGM, was also published in the major local newspaper.

In line with Rule 8.31A of the AMLR of Bursa Securities, all resolutions set out in the Notice of 4th AGM were put to vote by poll and the votes cast were validated by an independent scrutineer appointed by the Company. The outcome of all the resolutions proposed at the general meetings is announced to Bursa Securities on the same meeting days.

At the AGM, the shareholders are encouraged to participate in discussing the resolutions proposed or future developments of the Group's operations in general. The Board, the Management team and the Company's External Auditors are present to answer the questions raised and provide clarification as requested by the shareholders.

7.2 Engagement of the Board with Shareholders

All Directors had attended the 4th AGM held on 30 May 2025 and were accountable to the shareholders for their stewardship of the Company, save for Dato' Tan Yee Boon and Mr. Law Sang Thiam, who were absent for the 4th AGM due to an urgent engagement with the authorities and health reasons.

The MD, Executive Director and Board Committees members were available to respond to shareholders' queries concerning the Company and the Group in the 4th AGM. The External Auditors were also invited to attend the 4th AGM and assist the Board in addressing relevant queries made by the shareholders.

From the Company's perspective, the AGM serves as a forum for Directors to engage with the shareholders personally to understand their needs and seek their feedback. The Board welcomes questions and feedback from the shareholders during and at the end of shareholders' meetings and ensures their queries are responded to properly and systematically.

The Board had ensured that a reasonable time is provided to the shareholders for discussion at the 4th AGM before each resolution is proposed. The summary of the key matters discussed at the 4th AGM was published on the Company's website at www.ecosciencegroup.com for the shareholders' information.

STATEMENT BY THE BOARD ON CG STATEMENT

The Board has deliberated, reviewed and approved this CG Statement. The Board considers and is satisfied that to the best of its knowledge, the Company has fulfilled its obligations under the MCCG, the relevant chapters of the Listing Requirements of Bursa Securities on corporate governance and all applicable laws and regulations throughout the FYE 2025, except for the departures set out in the CG Report.

The Board shall continue to strive for high standards of corporate governance throughout the Group, and the highest level of integrity and ethical standards in all of its business dealings.

This Corporate Governance Statement was approved by the Board on 16 April 2026.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

INTRODUCTION

Pursuant to Rule 15.15 of the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Board of Directors (“the Board”) of Ecoscience International Berhad (“EIB” or “the Company”) is pleased to present the Audit and Risk Management Committee Report which lays out the activities held for the financial year ended 31 December 2025 (“FYE 2025”).

OBJECTIVES

The Audit and Risk Management Committee (“ARMC” or “the Committee”) was established with the primary objective of assisting the Board in fulfilling its statutory and fiduciary responsibilities in relation to the corporate governance, financial reporting process, internal controls systems and risk management of the Company and its subsidiaries (collectively “the Group”).

COMPOSITION OF THE ARMC

The ARMC comprises the following members, all of whom are Independent Non-Executive Directors of the Company:-

ARMC Members	Designation and Directorship
Law Sang Thiam	Chairman, Independent Non-Executive Director
Ang Chye Kian	Member, Independent Non-Executive Director
Shu Ling Ling (Appointed on 3 June 2025)	Member, Independent Non-Executive Director

The Company has complied with Rule 15.09 of the AMLR of Bursa Securities as well as Practice 9.1 and Practice 9.4 under Principle B of the Malaysian Code on Corporate Governance as the ARMC members fulfil the requirements as prescribed.

The Chairman of the ARMC, Mr. Law Sang Thiam is a member of the Malaysian Institute of Accountants (MIA) since 2003 and Malaysian Institute of Certified Public Accountants since 2004. In this respect, the composition of ARMC complies with Rule 15.09(1)(c)(i) of the AMLR of Bursa Securities.

MEETINGS AND ATTENDANCE

During the FYE 2025, the ARMC convened a total of five (5) meetings. The details of attendance of each member at the ARMC meetings were as follows:

ARMC Members	No. of meeting attended
Law Sang Thiam	4/5
Ang Chye Kian	5/5
Shu Ling Ling	2/2

Selected Key Senior Management were invited to attend the ARMC meetings to facilitate direct communications and to provide clarification on the financial reports. Minutes of each meeting were recorded and tabled for confirmation at the next ARMC meeting and subsequently presented to the Board for notation.

The presence of External Auditors and/or Internal Auditors at the ARMC meetings can be requested if required by the ARMC. Other members of the Board and officers of the Group may attend the meetings (specific to the relevant meeting and to the matters being discussed) upon invitation of the ARMC.



AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

TERMS OF REFERENCE

The ARMC is guided by its Terms of Reference, which is available on the Company's website at www.ecosciencegroup.com. The Terms of Reference shall be assessed, reviewed and updated when necessary.

SUMMARY OF WORKS OF THE ARMC FOR THE FYE 2025

The summary of the works undertaken by the ARMC during FYE 2025, amongst others, included the following:

Financial Performance and Reporting

- Reviewed the quarterly unaudited financial reports and annual audited financial statements of the Group including the announcements pertaining thereto, before recommending to the Board for their approval and release of the Group's results to Bursa Securities.
- Reviewed the related party transactions and/or recurrent related party transactions that transpired during the year under review to ensure that the transactions entered into were on arm's length basis and on normal commercial terms.
- Reviewed the conflict of interest ("COI") questionnaires submitted by the Directors and key senior management of the Group. Based on this review, no significant COI were identified that would necessitate further examination and implementation of specific mitigation measures.
- Reviewed the Corporate Governance Overview Statement, ARMC Report, Statement on Risk Management and Internal Control, Additional Compliance Information and Sustainability Statement to ensure adherence to legal and regulatory reporting requirements before recommending to the Board for approval for inclusion in the Annual Report.
- Reviewed the Corporate Governance Report before recommending it to the Board for approval.
- Reviewed the appointment of Risk Register and received the Risk Management Framework prepared by the Risk Register.
- Reviewed the appointment of new finance manager.

External Audit

- Reviewed the External Auditors' Audit Review Memorandum in respect of the financial statements of the Group for the financial year ended 31 December 2024.
- Reviewed and recommended the appointment of TGS TW PLT as the new external auditors and their audit fees to the Board for consideration based on the competency, efficiency and transparency as demonstrated by the external auditors during their audit.
- Evaluated the performance of External Auditors of the Company.
- Reviewed and received the Audit Planning Memorandum from External Auditors in respect of the FYE 31 December 2025.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

SUMMARY OF WORKS OF THE ARMC FOR THE FYE 2025 (CONT'D)

Internal Audit

- Reviewed with the Internal Auditors, the internal audit plan, work done and reports, for the internal audit function and considered the findings of internal audit reviews and management responses thereon, and ensure that appropriate actions were taken in addressing the issues reported by the Internal Auditors.
- Evaluated the performance of Internal Auditors of the Company.

INTERNAL AUDIT FUNCTION

The Board acknowledges the need for an effective system of internal control covering all aspects of the Group's activities including the mapping and management of risks which the Group may be exposed to.

The Group has engaged an independent internal audit service provider, namely GovernanceAdvisory.com ("GA") to provide internal audit function to the Group. This is to assist the ARMC in discharging its duties and responsibilities in carrying out regular reviews on the effectiveness of the internal control system and risk management framework.

During FYE 2025, the ARMC reviewed the following internal audit reports:-

Audit period	Reporting month	Name of entity audited	Audited areas
1 December 2024 to 28 February 2025	May 2025	Ecoscience Manufacturing & Engineering Sdn. Bhd.	Project Management

The principal role of the internal audit function is to undertake independent and periodic review of the system of internal control and risk management so as to provide a reasonable assurance to the ARMC that such system continues to operate satisfactorily and effectively.

GA adopts a risk-based approach in planning the internal audit review, based on the International Professional Practices Framework (IPPF), the Code of Ethics and the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

The total fee incurred in respect of the internal audit function of the Group for FYE 2025 was RM16,500 per scope of work.

The ARMC is satisfied that the independence of the internal audit function has been maintained as adequate safeguards are in place. GA has performed its audit assignment with impartiality, proficiency and due professional care.

EVALUATION OF ARMC

The Board, through the Nomination Committee, has evaluated the performance of the ARMC and its members. Based on the assessment conducted for FYE 2025, the ARMC and its members are found to have effectively discharged their duties and responsibilities in accordance with the ARMC's Terms of Reference.

This report was approved by the ARMC on 16 April 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors of Ecoscience International Berhad (“Board”) is pleased to present this Statement on Risk Management and Internal Control (“Statement”) of Ecoscience International Berhad and its subsidiaries (collectively the “Group”) prepared in accordance to Rule 15.26(b) of the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), Statement on Risk Management and Internal Control (“SORMIC”): Guidelines for Directors of Listed Companies (“SORMIC Guide 2025”) and the Malaysian Code on Corporate Governance.

BOARD RESPONSIBILITIES

The Board acknowledges its responsibility and re-affirms its commitment to maintaining sound systems of risk management and internal control to promote good corporate governance, safeguard stakeholders’ interest and the Group’s assets as well as to review the adequacy and effectiveness of these systems.

The Board has delegated the review of the adequacy, effectiveness and integrity of the risk management and internal control systems to the Audit and Risk Management Committee (“ARMC”), which keeps the Board informed of any significant issues arising from the risk management and internal control systems of the Group that has brought to the attention of the ARMC by the Management, the Internal Auditors and the External Auditors.

Due to the inherent limitations in any system of risk management and internal control, the Board recognises that such systems are designed to manage rather than to eliminate all the risks that may hinder the Group from achieving its business objectives. As such, the systems could only provide reasonable but not absolute assurance against the risks of material misstatement of financial information, financial losses and fraud or breaches of laws or regulations. The Board remains responsible for the governance of risk and all the actions of the ARMC with regard to the execution of delegated oversight responsibilities.

RISK MANAGEMENT

Risk management is an integral part of our Group’s business operations and this process goes through a review process by the Board. This is to ensure that all high risks are adequately addressed at various levels within the Group.

The Group has in place a risk management framework as an ongoing process for identifying, analysing, managing and monitoring risks faced by the Group. The risk management process includes identifying significant risks and assessing the likelihood of occurrence, impact and severity of each risk identified. Appropriate mitigating, reporting and monitoring measures are proposed to manage the risks. Managing Director, Executive Director and Heads of Departments are delegated with the responsibility to manage identified risks within defined parameters and standards.

The duties and responsibilities of the ARMC in relation to risk management are as follows:

- (i) To review and recommend risk management strategies, policies and risk tolerance levels for the Board’s approval.
- (ii) To review and assess the adequacy and effectiveness of risk management and internal control policies and framework in identifying, measuring, monitoring and, controlling risks and the extent to which these are operating effectively.
- (iii) To ensure infrastructure, resources and systems are in place for risk management, i.e. ensure that the staff responsible for implementing risk management systems perform those duties independently of the risk-originating activities of the Company and of the Group (where applicable).
- (iv) To review periodic risk management and business exposures reports from the respective business units of the Company and of the Group (where applicable) on risk exposures, risk portfolio compositions and risk management activities.
- (v) To review and recommend new policies or changes to policies, and to consider their risk implications.
- (vi) To note and adopt the respective Board minutes (or any other forms of documents that highlight the risk exposures and activities) of companies in the Group with respect to risk management activities carried out at that level.
- (vii) To review disclosures statements relating to management of sustainability, risk management and internal control in the annual report.
- (viii) To carry out other responsibilities, functions or assignments as may be defined by the Board from time to time.

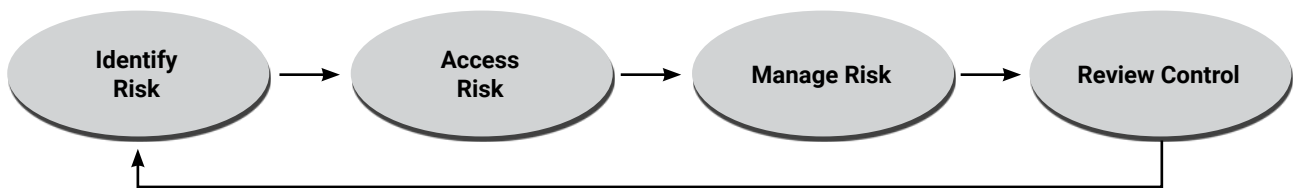
STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

RISK MANAGEMENT (CONT'D)

Management meetings and/or discussions will be held regularly to ensure that the risks faced by the Group are monitored and the existing mitigating actions are adequate. During these meetings, the key risks and corresponding controls implemented will be deliberated, reviewed, communicated and agreed upon.

The application of the risk management process is based on the general principles of an internationally recognised risk management framework. Based on the key risks identified, measures and actions are identified and implemented to minimise the possibility and impact of these risks.

The Risk Management process adopted by the Company is as follows:



The Head of Departments have identified potential risks which are pertinent to the Group. These risks and its mitigating factors can be summarised as follows:

Risk	Mitigating factors
Dependent on our ability to continuously secure new projects	<ul style="list-style-type: none"> We will continue to tender for new projects. We will continue to promote our business. Participate in tendering of projects related to renewable energy, such as businesses related to the production of biofuel from palm oil waste.
We are subject to risks associated with Gabon	<ul style="list-style-type: none"> We reduce our risk exposure by sub-contracting the local portion of the work to contractors who are registered in Gabon. We maintain bank accounts in EUR, which provide a natural hedge against foreign exchange fluctuations to mitigate the foreign exchange risk. We closely monitor our project executions in Gabon to ensure compliance with the necessary laws, rules, and other requirements of conducting business in Gabon.
We are exposed to the risks of project delays as well as contract termination or suspension	<ul style="list-style-type: none"> It is within our practice to request for an extension of time supported by reason with the respective customer.
It is within our practice to apply for a timeline extension with the respective customer	<ul style="list-style-type: none"> We will lock in the price for all of the steel products and pipes with suppliers for a period of time while we bid for a contract.
Cyber Risk	<ul style="list-style-type: none"> Increase the size of the local server. We ensure the outsourced IT service providers are competent to safeguard and protect all information and documents at all times. We implement tight security measures, including passwords, firewalls and anti-virus software. We educate employee on anti-phishing safety tips on electronic mail transmissions.
Bribery and Corruption	<ul style="list-style-type: none"> We ensure continuous awareness of the Anti-Bribery and Corruption Policy, the Company has posted the said Policy on the Company's website for easy access by employees and business associates.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

RISK MANAGEMENT (CONT'D)

The Head of Departments have identified potential risks which are pertinent to the Group. These risks and its mitigating factors can be summarised as follows: (Cont'd)

Risk	Mitigating factors
Currency exchange fluctuations	<ul style="list-style-type: none"> To hedge the currency when necessary. We pay foreign subcontractor or supplier with same currency.
Talent retention and sustainability	<ul style="list-style-type: none"> Implement diversity in hiring and promotion. Provide training and development to the employee. Employee recognition and rewards.
Health and safety	<ul style="list-style-type: none"> Safety training. Joint management-worker health and safety meeting to identify, assess and reduce the risk level.
Regulatory and Compliance Risk	<ul style="list-style-type: none"> To keep abreast of new developments on AMLR and other regulatory requirements as set by the relevant statutory bodies and regulators.

INTERNAL CONTROL SYSTEM

The Group has incorporated various key elements into its system of internal control, among which includes:

Limits of Authority

A documented delegation of authority that sets out decisions that need to be taken and the appropriate levels of management involved including matters that require the Board's approval.

Policies and Procedures

Documented internal policies and procedures are in place to ensure compliance with internal controls and the relevant rules and regulations. These are reviewed regularly to ensure that the gaps in controls are addressed and where required, revised to meet the business condition.

Code of Conduct

A Code of Conduct policy practices strict commitment to high standards of legal compliance as well as business ethics and expects all employees to adhere to these standards.

Whistle Blowing Policy

A Whistle Blowing Policy is established to provide an avenue for employees and other stakeholders to report any breach or suspected breach of any law or regulation in a safe and confidential manner.

Anti-Bribery and Corruption Policy

An Anti-Bribery Management and Corruption Policy is established to call for commitment from all stakeholders to uphold the highest standards of ethical conduct, integrity and accountability in our business activities and operations.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

INTERNAL CONTROL SYSTEM (CONT'D)

Internal Audit Function

The Group has outsourced its internal audit function to an independent internal audit service provider, Messrs. GovernanceAdvisory.com Sdn. Bhd., who reports directly to the ARMC on a regular basis. Their primary responsibility is to provide independent assessments of the adequacy, efficiency and effectiveness of the Group's risk management and internal control system. The management is responsible for ensuring that corrective actions are taken to address reported weaknesses and the internal auditor will subsequently perform follow-up reviews to ensure that the identified areas have been rectified for control improvement.

The outsourced internal auditor is free from any relationship or conflict of interest which could impair their objectivity and independence. The outsourced internal auditor possesses relevant experience, knowledge, competency and authority to discharge its functions effectively, obtained sufficient resources and has unrestricted access to employees and information for the internal audit activity.

One (1) internal audit review was conducted in respect of the scope on project management for the FYE 2025.

The Board has reviewed the adequacy and effectiveness of the Group's risk management activities and internal control framework and ensured that necessary actions have been or are being taken to rectify identified weaknesses. The Board concludes that continual improvement on the effective systems of risk management and internal control is in place to safeguard the stakeholders' interest and the Group's assets.

Based on the internal audit review conducted, none of the weaknesses noted has resulted in any material losses, contingencies, or uncertainties that would require separate disclosure in this Annual Report 2025.

ASSURANCE

The Board has received assurances from the Managing Director, Executive Director and Head of Finance that the Group's risk management and internal control systems are operating adequately and effectively in all material aspects during FYE 2025. There are no significant areas of concern that may affect the financial, operational and compliance controls.

REVIEW OF STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL BY EXTERNAL AUDITORS

Pursuant to Rule 15.23 of the AMLR, the External Auditors have reviewed this Statement for inclusion in this Annual Report 2025. Their limited assurance review is guided by the Audit and Assurance Practice Guide 3 ("AAPG3") issued by the Malaysian Institute of Accountants. Based on their review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement is not prepared, in all material aspects, in accordance with the disclosures required by Paragraphs 41 and 42 of the SORMIC Guide 2025, nor is the SORMIC factually inaccurate.

AAPG3 does not require the External Auditors to consider whether the Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems including the assessment and opinion by the Board of Directors and management thereon. The External Auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

CONCLUSION

The Board is of the view that the Group's risk management and internal control systems in place for FYE 2025, and up to the date of approval of this Statement, is adequate and effective to safeguard the stakeholders' interest and the Group's assets.

This Statement was approved by the Board on 16 April 2026.



DIRECTORS' RESPONSIBILITY STATEMENT

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

The Directors are required under Rule 15.26(a) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad to issue a statement on its responsibility in the preparation of the annual audited financial statements.

The Directors are responsible for ensuring that the financial statements are properly drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of the financial performance and cash flows for the financial year ended on that date.

During the preparation of the financial statements for the financial year ended 31 December 2025, the Directors have:

- (i) applied the appropriate and relevant accounting policies consistently and in accordance with applicable approved accounting standards;
- (ii) made judgements and estimates that are reasonable and prudent; and
- (iii) applied the going concern basis for the preparation of the financial statements.

The Directors also have a general responsibility to keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy to ensure compliance with the Companies Act 2016 as well as to take responsible steps to safeguard the assets of the Group and of the Company to prevent and to detect fraud and other irregularities.

The above statement is made in accordance with a resolution of Board of Directors dated 16 April 2026.