

SUSTAINABILITY STATEMENT (CONT'D)

STAKEHOLDER INFLUENCE - DEPENDENCY MATRIX

PLYTEC engages with a diverse range of stakeholders who either influence or are impacted by our business and operations. Key stakeholder groups include investors, government agencies, regulators, customers, employees, local communities, NGOs and suppliers. These groups are identified and prioritised based on their **level of influence** over PLYTEC's business decisions and their **level of dependency** on the Group's activities and outputs. The relationships between these stakeholders are reflected in the Stakeholder Influence - Dependency Matrix.

Stakeholder Prioritisation Process and Matrix



SUSTAINABILITY STATEMENT (CONT'D)

OUR MATERIALITY MATTERS

Materiality Assessment

Understanding material issues is essential to creating long-term value for our stakeholders. PLYTEC's materiality assessment incorporates input from both internal and external stakeholders, considering factors that influence financial stability, economic growth and ESG impacts. These insights shape our business strategy and guide resource allocation for sustainability.

In FYE 2023, we conducted a **comprehensive materiality assessment**, identifying 13 core ESG topics relevant to our operations. To ensure continued alignment with stakeholder expectations and evolving business priorities, we undertook a desktop review and limited refresh of the materiality assessment in FYE 2025, engaging key stakeholders through a follow-up survey questionnaire. This review:

- **Reaffirmed** the relevance of 13 core material matters, ranked by significance and impact.
- **Elevated** one emerging topic based on FYE 2024 stakeholders' feedback to full material status in FYE 2025: **Climate Action and Resilience**. Two further emerging topics — Workplace Well-being and Sustainable Supply Chain Governance — have been noted and will be formally assessed in the FY 2026 materiality review.
- **Confirmed** continued stakeholder priority for **eight top-tier material matters** with significant operational and long-term value implications.

Materiality Basis — FYE 2025 and Roadmap to Financial Materiality



PLYTEC's FYE 2025 materiality assessment is principally conducted on an **impact materiality** basis, reflecting the Group's GRI-aligned disclosure framework and the NSRF proportionality relief applicable to ACE Market issuers. Under impact materiality, topics are assessed based on their significance of PLYTEC's actual and potential impacts on the economy, environment and people.

A financial materiality lens will be applied progressively, through which the directional financial implications of identified climate-related risks and opportunities will be assessed going forward. This approach is consistent with the IFRS S1 and S2 single materiality framework, which focuses on sustainability matters that are financially material to investors by virtue of their financial implications for the reporting entity.

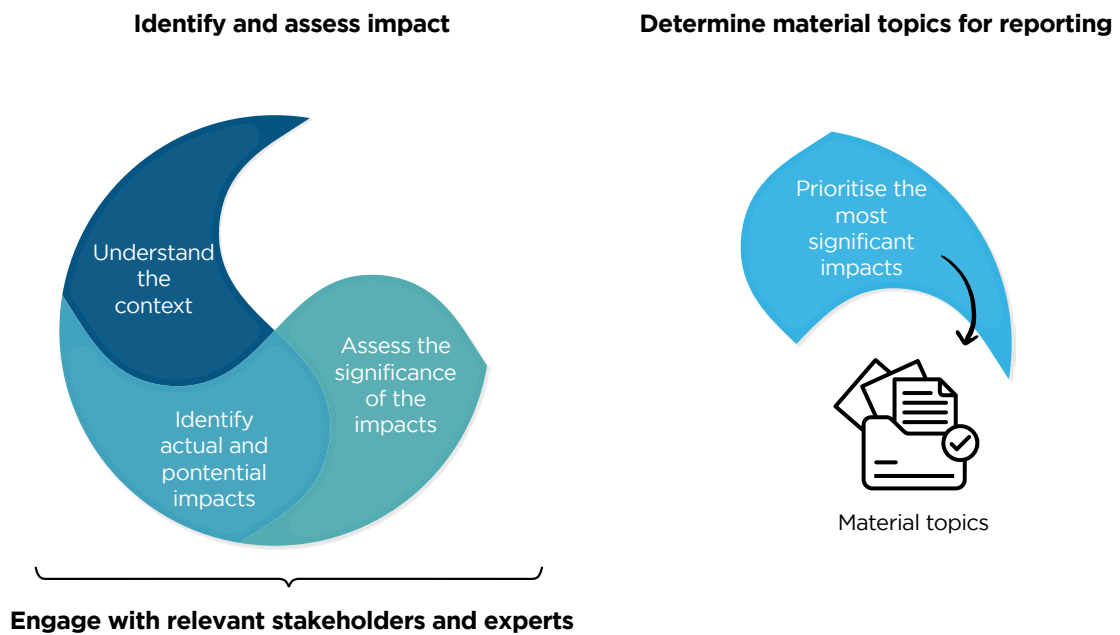
In FY 2026, PLYTEC plans to conduct a materiality assessment focused on identifying sustainability-related risks and opportunities that may affect the company's business and financial position. This will ensure PLYTEC's materiality framework meets the expectations of ISSB-aligned investors and provides a robust evidential foundation for the targeted **FY 2029 ISSA 5000 limited assurance** engagement.

SUSTAINABILITY STATEMENT (CONT'D)

OUR MATERIALITY MATTERS (CONT'D)

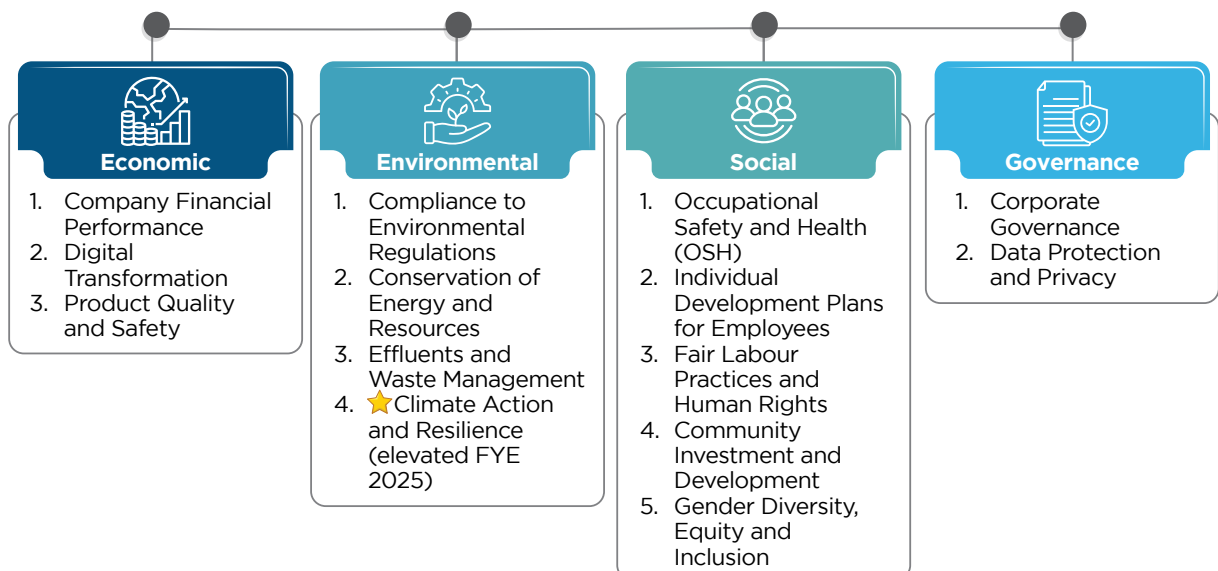
Materiality Assessment (Cont'd)

Materiality Assessment Process Flow - Diagram



Material Matters – FYE 2025

The following **14 material matters** have been identified and confirmed for FYE 2025, spanning the four ESG pillars. Topics marked with ★ represents Climate Action and Resilience – the one emerging topic from FYE 2024 stakeholder feedback formally elevated to material status in FYE 2025. Two further emerging topics (Workplace Well-being and Sustainable Supply Chain Governance) remain under observation and will be formally assessed in the FY 2026 materiality review.



SUSTAINABILITY STATEMENT (CONT'D)

OUR MATERIALITY MATTERS (CONT'D)

Material Matters – FYE 2025 (Cont'd)

FYE 2025 – Elevated Emerging Topic



Following the FYE 2025 desktop review, Management formally elevated **one emerging topic** from FYE 2024 stakeholder feedback to full material status:

Climate Action and Resilience: Elevated to a core material matter by Management decision in FYE 2025 to reflect its growing strategic importance. Two further emerging topics identified in FYE 2024 – **Workplace Well-being and Sustainable Supply Chain Governance** – are noted and substantively referenced in this Statement but will be formally assessed for material status in the **FY 2026 materiality review**. Both are addressed in relevant sections: Workplace Well-being under Pillar 3 and Supply Chain Governance through ESG supplier evaluations (8 raw materials suppliers assessed in FYE 2025) and the progressive Scope 3 disclosure roadmap.












SUSTAINABILITY IMPACT, RISKS AND OPPORTUNITIES

The table below maps each material matter to its principal impact, risk, opportunity, applicable **GRI Standards** disclosures and relevant **UNSDGs**. This mapping provides the analytical basis for PLYTEC's sustainability disclosures across all four ESG pillars.

Material Matter	Impact (I)	Risk (R)	Opportunity (O)	GRI	UNSDGs
Economic					
Company Financial Performance	Drives profitability, growth and shareholder value.	Market volatility, cost overruns and project delays.	Enhances reputation, attracts investment and sustains financial resilience.	GRI 201-1 to 201-4	
Digital Transformation	Enhances operational efficiency and innovation through advanced technologies.	Resistance to change and slow adoption can reduce competitiveness.	Improves productivity, reduces costs and enhances client satisfaction.	GRI 203-1, 203-2	
Product Quality and Safety	Ensures high standards in product performance, safety and compliance.	Reputational damage and financial losses from product failures or recalls.	Builds customer trust, loyalty and competitive advantage.	GRI 416-1, 416-2; GRI 417-1 to 417-3	










SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY IMPACT, RISKS AND OPPORTUNITIES (CONT'D)

Material Matter	Impact (I)	Risk (R)	Opportunity (O)	GRI	UNSDGs
 Environmental					
Compliance with Environmental Regulations	Demonstrates commitment to legal and ethical environmental standards.	Non-compliance can result in fines, project delays and reputational damage.	Strengthens stakeholder trust and ensures operational continuity.	GRI 307-1	 
Conservation of Energy and Resources	Minimises energy use and optimises resource consumption to reduce costs and environmental impact.	Inefficient practices increase costs and carbon footprint.	Adoption of energy-efficient practices enhances sustainability and reduces costs.	GRI 301-1 to 301-3; GRI 302-1 to 302-5	 
Effluents and Waste Management	Reduces pollution and waste, contributing to a cleaner environment.	Regulatory penalties and reputational damage from poor waste handling.	Implements circular economy principles to reduce costs and enhance environmental stewardship.	GRI 303-1 to 303-5; GRI 306-1 to 306-5	 
★ Climate Action and Resilience	Addresses physical and transition climate risks affecting PLYTEC's assets, operations, and revenue.	Unmanaged climate risks may increase costs, disrupt supply chains and affect asset values.	Green financing access, ESG procurement positioning, BIM mandate demand, circular economy value.	GRI 305-1 to 305-7; IFRS S2	   






SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY IMPACT, RISKS AND OPPORTUNITIES (CONT'D)

Material Matter	Impact (I)	Risk (R)	Opportunity (O)	GRI	UNSDGs
 Social					
Occupational Safety and Health (OSH)	Ensures a safe and healthy work environment, reducing accidents and liabilities.	Poor safety standards lead to legal liabilities, workplace injuries and low employee morale.	Strong OSH practices improve productivity, morale and stakeholder trust.	GRI 403-1 to 403-10	 
Individual Development Plans for Employees	Enhances workforce capabilities through structured training and career development.	Lack of development can lead to high turnover and skills gaps.	Talent development increases loyalty, innovation and competitiveness.	GRI 404-1 to 404-3	 
Fair Labour Practices and Human Rights	Promotes equitable treatment and compliance with labour laws and international standards.	Violations can lead to reputational harm, legal issues, and loss of stakeholder trust.	Demonstrates commitment to ethical practices and enhances employee satisfaction.	GRI 407-1; GRI 408-1; GRI 409-1	 
Community Investment and Development	Improves community well-being and strengthens the Group's social licence to operate.	Neglecting community needs can lead to social unrest and loss of social licence.	Fosters goodwill, builds trust, and supports sustainable community development.	GRI 413-1, 413-2	 
Gender Diversity, Equity and Inclusion	Fosters a diverse, equitable, and inclusive workplace environment.	Lack of diversity can hinder innovation and reduce stakeholder confidence.	Inclusive policies attract diverse talent and improve organisational culture.	GRI 405-1, 405-2	 

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY IMPACT, RISKS AND OPPORTUNITIES (CONT'D)

Material Matter	Impact (I)	Risk (R)	Opportunity (O)	GRI	UNSDGs
 Governance					
Corporate Governance	Ensures accountability, transparency, and ethical decision-making at all levels.	Weak governance can lead to regulatory breaches and reputational harm.	Strong governance enhances investor confidence and long-term sustainability.	GRI 2: General Disclosures 2021	 
Data Protection and Privacy	Protects sensitive data from breaches and builds stakeholder trust.	Data breaches can result in legal penalties, financial losses, and reputational damage.	Robust cybersecurity measures enhance operational resilience and client trust.	GRI 418-1	 

GRI Standards Note



GRI disclosures referenced in this table are aligned with the **GRI Universal Standards 2021** and relevant GRI Topic Standards. The reference to Corporate Governance now applies **GRI 2: General Disclosures 2021** (replacing the legacy GRI 102 General Disclosures from the 2016 Standards). Topics marked ★ represent material matter elevated in FYE 2025.

MATERIALITY MATRIX

Stakeholder survey feedback was analysed using statistical methods incorporating weighted averages to account for stakeholder participation levels and their relevance to the Group. The **14 material topics** (13 core matters plus Climate Action and Resilience, elevated to material status in FYE 2025) were plotted on a materiality matrix, mapping their significance from both **business impact** and **stakeholder importance** perspective.

The desktop review of the FYE 2024 materiality assessment confirmed that **seven key topics** remained top priorities, reflecting their significant impact on operations and long-term value creation. **Climate Action and Resilience** emerged as the most prominent new topic, receiving elevated priority in stakeholder feedback and formally elevated to material status by Management in FYE 2025. The materiality matrix and findings were reviewed and endorsed by the Board.

The eight highest-priority material matters — confirmed through the FYE 2025 desktop review are:

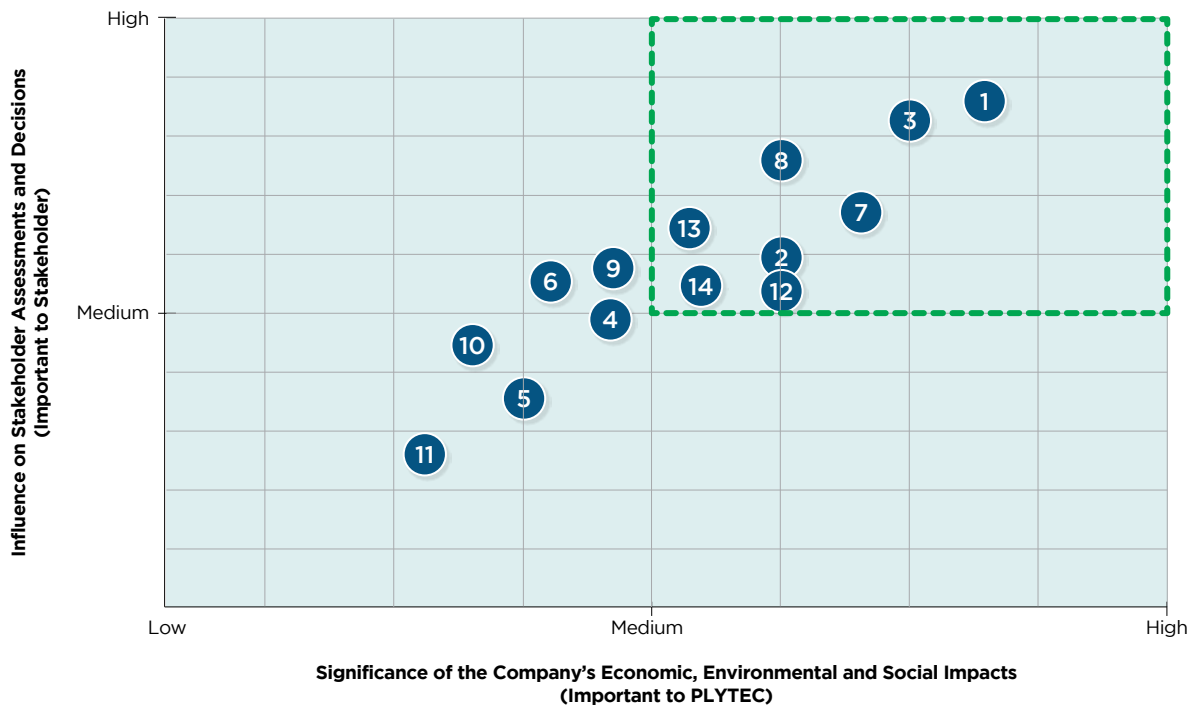
No.	ESG Pillar	Material Matter
1.	Economic	Company Financial Performance
2.	Economic	Digital Transformation
3.	Economic	Product Quality and Safety
4.	Environmental	★ Climate Action and Resilience
5.	Social	Occupational Safety and Health (OSH)
6.	Social	Individual Development Plans for Employees
7.	Governance	Corporate Governance
8.	Governance	Data Protection and Privacy

SUSTAINABILITY STATEMENT (CONT'D)

MATERIALITY MATRIX (CONT'D)

Materiality Matrix Diagram

The Materiality Matrix — plotting the 14 material topics by business impact (Y-axis) and stakeholder importance (X-axis), with the eight (8) highest-priority matters highlighted — is presented in the matrix diagram as follows:-



(*) Prioritised Material Matters

The outcomes of our materiality assessment have guided resources allocation, supporting long-term value creation for our business and stakeholders. Each material matter plays a key role in decision-making and aligns with our four sustainability pillars.

SUSTAINABILITY STATEMENT (CONT'D)

Pillar No. 1

OUR BUSINESS AND
THE ECONOMICECONOMIC RESILIENCE | PRODUCT QUALITY AND SAFETY | CUSTOMER SATISFACTION |
DIGITAL TRANSFORMATION

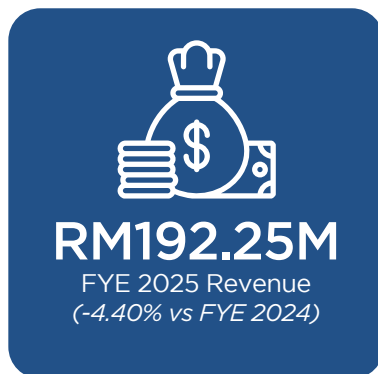
ECONOMIC RESILIENCE

PLYTEC creates long-term economic value through responsible business practices that deliver sustainable benefits across our full stakeholder ecosystem — shareholders, customers, employees, suppliers and the broader communities in which we operate. In FYE 2025, the Group recorded revenue of **RM192.25 million** across five business segments, demonstrating the resilience of our diversified construction solutions model.

We conduct operations on the principles of fair competition, ethical commercial conduct, and informed resources allocation. Our approach ensures that financial performance objectives are pursued in a manner aligned with social responsibility and environmental stewardship — not in spite of them. Across our supply chain, PLYTEC promotes **responsible sourcing, ethical labour standards** and environmental sustainability, embedded through our supplier evaluation framework and extended across customer contracts, rental asset management and capital allocation decisions.

Our five business segments each contributes to economic value creation in distinct and complementary ways:

- **CME Solutions:** Recurring rental income from reusable formwork and shoring systems, generating stable cash flows while reducing construction waste across client projects.
- **BMD:** Distribution of building materials supporting construction industry supply chain efficiency.
- **DDE Solutions:** Value-added digital engineering and BIM advisory services driving construction productivity and innovation.
- **PC Solutions:** Prefabricated construction accessories supporting Malaysia's IBS agenda and reducing on-site labour dependency.
- **PMCP:** Engineering and performance polymer compounding and the manufacturing of WONDERBoard™ recyclable plastic panels, extending the Group's circular economy positioning into manufactured sales products and supporting material innovation.



Note: Detailed financial performance, including Economic Value Generated and Distributed ("EVGD") disclosures, is presented in the PLYTEC Annual Report 2025 — Financial Statements and Directors' Report.

SUSTAINABILITY STATEMENT (CONT'D)

PILLAR NO. 1 – OUR BUSINESS AND THE ECONOMIC (CONT'D)

PRODUCT QUALITY AND SAFETY

As a provider of construction engineering solutions, services and building materials, PLYTEC is committed to maintaining high standards of product and service quality. Ensuring customer satisfaction, safeguarding brand reputation and upholding industry credibility are central to our approach. We recognise that product quality directly affects safety outcomes and performance on project sites — making it a core operational priority.

Our quality commitment begins at the **sourcing stage**. Products from suppliers undergo thorough evaluations against industry standards and relevant certifications before entering our operations. From concept to production, we closely monitor product safety and proactively address potential issues. Our cross-functional teams across BIM, Research and Development and Engineering, Quality, Production and Operations play a central role in maintaining and continuously improving quality standards.

Collaboration with customers and regulatory authorities ensures ongoing compliance with quality and safety requirements. Our businesses maintain the following certified management systems and product certifications:

ISO 9001:2015 Quality Management System	ISO 14001:2015 Environmental Management System	ISO 45001:2018 Occupational Health and Safety (“OHS”) Management System	CIDB IBS Manufacturer and Product Assessment and Certification
---	--	---	--

In FYE 2025, PLYTEC recorded **zero product recalls** and **zero safety-related claims**, consistent with our performance in prior years and reflecting the effectiveness of our quality assurance processes across all business segments.

UPHOLDING CUSTOMER SATISFACTION

To ensure customer expectations are consistently met, PLYTEC conducts an **annual customer satisfaction survey** covering product quality, delivery performance and service responsiveness. These insights keep us attuned to customer needs and inform continuous improvement across our operations.

In FYE 2025, our CME Solutions Customer Satisfaction Index (“**CSI**”) reached **83%**, surpassing our **80% target**. We remain committed to sustaining and progressively improving this performance across all service touchpoints.

Customer Satisfaction Index (CSI)			
Metric	FYE 2023	FYE 2024	FYE 2025
Customer Satisfaction Index (target ≥ 80%) – CME Solutions	84%	76%	83%
Number of customers surveyed	22	20	16
Product recalls / claims due to safety negligence or defects	0	0	0
Goods returned by customers	0	0	0

SUSTAINABILITY STATEMENT (CONT'D)

PILLAR NO. 1 – OUR BUSINESS AND THE ECONOMIC (CONT'D)

UPHOLDING CUSTOMER SATISFACTION (CONT'D)

Recognising that supplier performance directly impacts product quality and customer satisfaction, PLYTEC assesses supplier compliance through the **Supplier Conformance Index (“SCI”)**, which measures adherence to required product specifications, ensuring consistency across our supply chain.

Supplier Conformance Index (SCI)			
Metric	FYE 2023	FYE 2024	FYE 2025
Supplier Conformance Index (target ≥ 80%) – CME Solutions	82%	86%	85%
Number of suppliers (Raw Materials) surveyed	33	36	8

FYE 2025 Quality Performance Summary



CSI: 83% (above 80% target)

SCI: 85% (above 80% target)

Zero product recalls

Zero goods returned

Zero safety claims

DIGITAL TRANSFORMATION

PLYTEC integrates digital solutions into construction engineering to enhance operational efficiency, improve project safety, support reduced rework and reduce the environmental footprint of construction processes. Guided by Senior Management, the Group has established itself as a key player in construction digitalisation through BIM technology – implemented across CME Solutions, DDE Solutions and PC Solutions.

A significant regulatory development in FYE 2025 was the enforcement of Malaysia’s BIM mandate for public projects exceeding RM10 million (effective August 2024), which materially expands the addressable market for PLYTEC’s DDE Solutions digital engineering advisory services. This mandate positions PLYTEC favourably as contractors and developers increasingly require BIM-competent engineering partners to fulfil public procurement requirements.

SUSTAINABILITY STATEMENT (CONT'D)

PILLAR NO. 1 – OUR BUSINESS AND THE ECONOMIC (CONT'D)

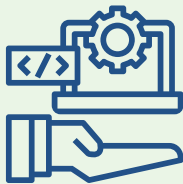
DIGITAL TRANSFORMATION (CONT'D)

By collaborating with government agencies, universities, industry bodies and learned societies, PLYTEC actively promotes BIM adoption as a driver of digital transformation across construction sector in Malaysia. These efforts have delivered measurable operational benefits:

- **Shorter production cycles:** BIM-enabled production planning has streamlined fabrication and logistics workflows, reducing lead times across CME Solutions and PC Solutions.
- **Reduced manual labour dependency:** Digital modelling and prefabrication integration have lowered on-site labour intensity, improving productivity and site safety outcomes.
- **Enhanced client value:** Integrated CME Solutions and DDE Solutions proposals provide clients with a comprehensive formwork-and-digital solution, improving project delivery confidence and strengthening PLYTEC's competitive positioning.

Milestone	Development
Aug 2024	Malaysian Government BIM mandate effective for public projects exceeding RM10 million – directly expanding the addressable market for PLYTEC's DDE Solutions digital engineering advisory services.
FYE 2025	DDE Solutions leverages BIM mandate to secure digital engineering advisory engagements, integrated with CME Solutions formwork rental – delivering a comprehensive construction solution to clients.
FYE 2025	Continued collaboration with government agencies, universities, industry bodies and learned societies to promote BIM adoption and drive digital transformation across Malaysia's construction sector.
FYE 2025	BIM-enabled production planning has reduced lead times and manual labour dependency across CME Solutions and PC Solutions operations, improving site productivity and safety outcomes.

Looking Ahead – Digital Transformation



PLYTEC remains committed to expanding its digitalisation initiatives. Future focus areas include integrating BIM data with Enterprise Resource Planning (“ERP”) systems for real-time asset tracking across the CME Solutions rental fleet, exploring digital twin capabilities for formwork lifecycle management and deepening PMCP's use of digital manufacturing processes as the Olak Lempit Factory 1 ramps up to full production capacity.

SUSTAINABILITY STATEMENT (CONT'D)

Pillar No. 2

ENVIRONMENTAL RESPONSIBILITIES

ENERGY AND RESOURCES | CIRCULAR ECONOMY | WASTE MANAGEMENT | ENVIRONMENTAL COMPLIANCE

Environmental responsibility is embedded in PLYTEC's business philosophy, guiding our operations from material sourcing to manufacturing and product end-of-life. FYE 2025 marks a step-change in how we account for and disclose our environmental performance. PLYTEC is preliminarily aligning its disclosure to the IFRS S2 climate-related requirements — including governance, strategy, risk management and metrics and targets — within the dedicated Climate Adaptation and Resilience section of this Statement. GHG emissions, energy consumption, and water use data, together with our net-zero 2050 aspiration, are disclosed in full in that section and are cross-referenced here.

This Pillar 2 section covers environmental sustainability initiatives, waste management performance, regulatory compliance and the circular economy dimension introduced through our new PMCP segment — areas complementary to the IFRS S2 climate disclosure.

ENVIRONMENTAL SUSTAINABILITY INITIATIVES

PLYTEC continued to advance its environmental sustainability programme in FYE 2025, with a particular focus on resource conservation and circular economy integration. Two significant operational milestones were completion of the Olak Lempit Factory 1, which Certificate of Completion and Compliance (CCC) obtained in Q4 2025:



Rainwater Harvesting

Operational in Q4 2025, reducing mains dependency



WONDERBoard™ Production

Circular economy manufacturing commenced

Solar PV — Renewable Energy (Planned): The installation of a rooftop solar photovoltaic (PV) system at Olak Lempit Factory 1 has been deferred to allow the Group to first establish a reliable energy consumption baseline from PMCP operations — capturing actual production run data and load patterns — enabling a more accurate and optimised system design. Proceeding without this data would risk under- or over-sizing the installation, reducing both financial return and environmental effectiveness. The solar PV project remains a firm commitment and will be progressed once sufficient operational data has been collected.

Rainwater Harvesting — Water Resource Conservation: A rainwater collection and storage system was commissioned at Olak Lempit Factory 1 in Q4 2025. Its contribution is already reflected in FYE 2025 mains water data: total mains consumption fell to 24,794 m³ (a 42.0% reduction versus 42,719 m³ in FYE 2024), directly attributable to the supplementary rainwater source reducing dependence on mains supply. This system will continue to deliver water efficiency gains as factory operations ramp up.

Energy Management — Efficiency Initiatives and Consumption Trend: PLYTEC implemented LED lighting and solar-powered street lights across its facilities. Despite these measures, total energy use rose by **16.8%** in FYE 2025 (**910 MWh** versus **779 MWh in FYE 2024**), driven by the commissioning of the Olak Lempit Factory 1 in Q4 2025.

SUSTAINABILITY STATEMENT (CONT'D)

PILLAR NO. 2 – ENVIRONMENTAL RESPONSIBILITIES (CONT'D)

ENVIRONMENTAL SUSTAINABILITY INITIATIVES (CONT'D)

Reduce, Reuse and Recycle (3R) Culture: We continue to embed 3R practices across our operations and are progressively extending these expectations to our supply chain. Collaboration with suppliers to collect and reuse used paint and thinner containers is ongoing, contributing to reductions in scheduled waste generation.

Cross-Reference – GHG, Energy and Water Metrics



Detailed metrics for **GHG Scope 1 and 2 emissions, energy consumption, energy intensity, water consumption** and the **net-zero 2050 target** are disclosed in the **Climate Adaptation and Resilience** section (Section E: Metrics and Targets) of this Statement, in accordance with IFRS S2 and Bursa Malaysia's SRG and NSRF requirements.

CIRCULAR ECONOMY – PMCP AND WONDERBOARD™

FYE 2025 marks PLYTEC's entry into circular economy manufacturing through the **PMCP segment** and its flagship product, **WONDERBoard™** – a durable, recyclable plastic panel manufactured to support more sustainable construction practices. With the CCC of Olak Lempit Factory 1 obtained in Q4 2025, commercial production has commenced.

WONDERBoard™ is positioned as a more **sustainable alternative** to conventional building panel materials, offering:

- **Recycled content:** Manufactured using recycled polymer materials, directly reducing virgin raw material consumption and support more efficient resource use.
- **Recyclability at end-of-life:** Designed to support material recovery and reprocessing, consistent with circular economy principles.
- **Durability and weather resistance:** Extended product lifespan reduces replacement frequency and associated material consumption over the building lifecycle.
- **Low embodied carbon potential:** The use of recycled feedstock reduces process energy requirements relative to virgin polymer production, supporting clients' Scope 3 embodied carbon targets.

Our circular economy approach includes internal recycling of manufacturing scrap and a closed-loop pathway to recycle used WONDERBoard™ for reprocessing and reproduction into new boards, supporting reduced waste and more efficient material use over the product lifecycle.

The reusable formwork rental model of CME Solutions also embodies circular economy principles – formwork systems are reused across multiple projects, significantly reducing construction material waste relative to single-use alternatives. PLYTEC's dual circular economy value proposition (rental model and recyclable manufacturing) positions the Group favourably as clients and regulators increasingly focus on embodied carbon and construction waste reduction.

SUSTAINABILITY STATEMENT (CONT'D)

PILLAR NO. 2 – ENVIRONMENTAL RESPONSIBILITIES (CONT'D)

EFFLUENTS AND WASTE MANAGEMENT

PLYTEC's waste management approach focuses on reducing waste generation at source, improving materials management, and ensuring all waste streams are handled responsibly. We are strengthening our Environmental Management System (“EMS”) framework to systematically address environmental risks and impacts across all operating sites.

In FYE 2025, **hazardous waste (scheduled waste) generation fell to 1.95 tonnes** — a 55% reduction from 4.37 tonnes in FYE 2024 and a 78% reduction from the 8.84-tonne FYE 2023 baseline. This sustained multi-year reduction reflects the effectiveness of our waste minimisation initiatives, including our collaboration with suppliers on used paint and thinner container reuse programmes.

All scheduled waste is managed in compliance with the **Environmental Quality (Scheduled Wastes) Regulations 2005** and is collected and disposed of by licensed waste disposal contractors. General waste collection frequency was maintained at 45 trips in FYE 2025, broadly consistent with prior years.

Non-Hazardous Waste (General Waste)			
Metric	FYE 2023	FYE 2024	FYE 2025
Total waste diverted from disposal (trips)	0	0	0
Total waste directed to disposal (trips)	44	49	45

Hazardous Waste / Scheduled Waste			
Metric	FYE 2023	FYE 2024	FYE 2025
Scheduled waste generated (tonnes)	8.84	4.37	1.95

FYE 2025 Waste Performance Highlights



Scheduled (hazardous) waste reduced by **55% versus FYE 2024** and **78% versus the FYE 2023 baseline**. A two-year consecutive decline demonstrates the effectiveness of PLYTEC's waste minimisation initiatives and supplier collaboration programmes.

SUSTAINABILITY STATEMENT (CONT'D)

PILLAR NO. 2 – ENVIRONMENTAL RESPONSIBILITIES (CONT'D)

COMPLIANCE WITH ENVIRONMENTAL REGULATIONS

PLYTEC remains fully committed to complying with the **Malaysian Environmental Quality Act 1974** and all other applicable environmental regulations. In FYE 2025, there were **zero recorded legal violations** related to environmental discharges, emissions or waste management – consistent with our performance in FYE 2023 and FYE 2024.

Our environmental compliance framework is supported by:

- **ISO 14001:2015 Environmental Management System:** Certification maintained across applicable operations, providing the systematic framework for environmental risk identification, target-setting and performance monitoring.
- **Licensed waste contractors:** All scheduled and general waste is managed through licensed disposal companies, ensuring traceability and regulatory compliance throughout the waste disposal chain.
- **Regulatory monitoring:** Ongoing engagement with the Department of Environment (DOE) and relevant authorities ensures PLYTEC remains current on regulatory developments and maintains proactive compliance posture.
- **NSRF and IFRS S2 alignment:** Environmental compliance obligations are now integrated into PLYTEC's broader climate governance framework, with environmental risks reviewed by the ARMC as part of the Group's ERM cycle.

Environmental Compliance			
Metric	FYE 2023	FYE 2024	FYE 2025
Environmental regulatory violations (cases)	0	0	0
Environmental legal penalties / fines (RM)	0	0	0
Environmental-related project stoppages	0	0	0

LOOKING AHEAD – ENVIRONMENTAL PRIORITIES FOR FY 2026

Building on the foundations established in FYE 2025, PLYTEC's environmental priorities for FY 2026 include:

- **Rainwater harvesting optimisation:** Monitor and report full-year rainwater harvesting volumes at Olak Lempit Factory 1 as factory production ramps up.
- **Waste diversion initiatives:** Explore opportunities to convert general waste trips from 'disposal' to 'diversion' categories through recycling partnerships, with the aim of establishing a baseline for future disclosure as data becomes available.
- **3R supply chain extension:** Progress the implementation of 3R practices with our top suppliers, aligned with the sustainable supply chain governance emerging topic identified for formal assessment in the FY 2026 materiality review.
- **WONDERBoard™ lifecycle assessment (LCA):** Evaluate feasibility of conducting a Product LCA for WONDERBoard™ from FY 2027, supporting embodied carbon disclosure and green procurement credentials.

SUSTAINABILITY STATEMENT (CONT'D)

Pillar No. 3

PEOPLE, SOCIAL AND
COMMUNITY ENGAGEMENTTALENT DEVELOPMENT | HEALTH, SAFETY AND WELL-BEING | HUMAN RIGHTS |
COMMUNITY INVESTMENT | SUPPLY CHAIN

Our people and the communities we serve are at the heart of PLYTEC's sustainability commitment. We recognise that long-term business performance depends on a skilled, healthy and engaged workforce; on ethical relationships throughout our supply chain; and on the trust of the communities in which we operate. In FYE 2025, PLYTEC continued to invest in workforce capability, strengthen health and safety practices, reinforce workplace integrity and human right commitments, and deepen community engagement.

Our Pillar 3 commitments are structured around three focus areas:

- **Workforce development and employee management** — supporting continuous learning, career growth and employee well-being.
- **Health, safety and workplace integrity** — upholding a safe and inclusive work environment with zero tolerance for human rights violations.
- **Community investment and supply chain development** — contributing to community well-being and promoting responsible local procurement and supplier development.

DEVELOPING TALENT AT PLYTEC

At PLYTEC, our people are a key driver of our long-term success. Investing in skills development and career progression supports sustained growth, service quality and competitiveness in an increasingly digital and sustainability-driven construction industry.

We offer structured learning opportunities tailored to both new and experienced employees, encompassing technical upskilling, leadership development and industry-specific competencies. Annual performance appraisals serve as a formal mechanism to evaluate performance, identify development needs and align personal objectives with the Group's strategic priorities.

A signature initiative is the PLYTEC BIM Centre, which provides specialised training and advisory services on BIM and construction methods engineering. The Centre benefits both internal teams and industry partners and supports PLYTEC's collaboration with government agencies and higher learning institutions to raise BIM and digital construction awareness industry-wide — developing a pipeline of future-ready construction professionals.



5,698

Total Training Hours
FYE 2025
(all employees)

RM128.9K

Learning and
Development Investment
FYE 2025

SUSTAINABILITY STATEMENT (CONT'D)

PILLAR NO. 3 – PEOPLE, SOCIAL AND COMMUNITY ENGAGEMENT (CONT'D)

DEVELOPING TALENT AT PLYTEC (CONT'D)

Training Hours by Employee Category				
Category	FYE 2023 Total hours	FYE 2024 Total hours	FYE 2025 Total hours	FYE 2025 Average hours
Senior Management	402	383	668	60.7 hrs
Middle Management	541	599	834	28.7 hrs
Executive	1,220	1,982	1,148	14.2 hrs
Non-Executive (incl. OJT - On-job training)	2,156	3,676	3,048	24.4 hrs

Learning and Development Investment			
Metric	FYE 2023	FYE 2024	FYE 2025
Total investment in employee learning and development (RM)	75,090	209,614	128,936

FYE 2025 Training Investment Note



The FYE 2025 Learning and Development Investment of RM128,936 reflects a normalisation following the elevated FYE 2024 spend, which included major organisation-wide programmes: **PLYTEC Formwork System Industries Sdn. Bhd.**, **PLYTEC IBS System MFG Sdn. Bhd.** and **Sudut Swasta Sdn. Bhd.** team building initiatives. Core technical training, BIM advisory and compliance programmes continued across all employee categories in FYE 2025.

All employees met the Group's minimum threshold of **8 training hours per year**, consistent with PLYTEC's Sustainability Scorecard target.

SUSTAINABILITY STATEMENT (CONT'D)

PILLAR NO. 3 – PEOPLE, SOCIAL AND COMMUNITY ENGAGEMENT (CONT'D)

EMPLOYEE HEALTH, SAFETY AND WELL-BEING

PLYTEC is committed to providing a safe, healthy and supportive work environment for all employees, contractors and site visitors. We have established clear health and safety policies governed by a designated compliance officer reporting to the Group Managing Director/Chief Executive Officer, ensuring our framework remains aligned with Malaysian occupational safety legislation and best practice.

In FYE 2025, PLYTEC recorded zero work-related fatalities and Lost Time Incident Rate (LTIR) of 2 (FYE 2024: 1). The increase reflects operational ramp-up activities, while continued safety training, hazard identification programmes and management commitment to a zero-harm workplace remain in place.

Our health and safety framework is underpinned by **ISO 45001:2018 Occupational Health and Safety Management System** certification, which provides the systematic structure for hazard identification, risk assessment, incident investigation and continuous improvement. Employees receive regular training on hazard identification, risk management and safety protocols to maintain a proactive approach to workplace well-being.

PLYTEC's employee accommodation complies with the **Employees' Minimum Standards of Housing and Amenities Act (EMSHAA)** and Employees' Accommodation Regulations. The Group's **Certificate of Accommodation (COA) remains valid in FYE 2025**, confirming full regulatory compliance with no material impact on business operations.

Workplace Health and Safety Performance			
Metric	FYE 2023	FYE 2024	FYE 2025
Number of work-related fatalities	0	0	0
Lost Time Incident Rate (LTIR)	0	1	2
Employees trained on health and safety standards	27	21	64

FYE 2025 Safety Performance Highlights



Zero fatalities | LTIR: 2 (1 in FYE 2024) | Zero environmental safety violations | ISO 45001 certification maintained

SUSTAINABILITY STATEMENT (CONT'D)

PILLAR NO. 3 – PEOPLE, SOCIAL AND COMMUNITY ENGAGEMENT (CONT'D)

DIVERSITY, EQUITY AND INCLUSION

PLYTEC recognises diversity, equity and inclusion (DEI) as essential foundations of a positive workplace culture and a driver of organisational innovation. We are committed to ensuring that all employees are treated with dignity and respect, free from discrimination on the basis of gender, ethnicity, age, religion, or any other characteristic.

Employees receive regular training on DEI principles, human rights, and fair labour practices, reinforcing a workplace environment built on respect, inclusivity and ethical conduct.

HUMAN RIGHTS AND WORKPLACE INTEGRITY

PLYTEC upholds human rights across all aspects of our operations, ensuring ethical and fair treatment of the entire workforce – employees, contractors and supply chain partners. Our Human Rights Policy reflects our commitment to the principles of the UN Guiding Principles on Business and Human Rights, prohibiting forced labour, child labour and any form of discrimination or harassment.

In FYE 2025, PLYTEC recorded **zero complaints related to human rights violations** – consistent with our performance across all three reporting years. All employees have access to formal grievance mechanisms and the Group maintains a zero-tolerance policy for retaliation against those who raise concerns in good faith.

Human Rights and Workplace Integrity			
Metric	FYE 2023	FYE 2024	FYE 2025
Incidents of human rights violation complaints	0	0	0
Whistleblowing cases reported	0	0	0
Corruption cases reported	0	0	0

COMMUNITY INVESTMENT AND DEVELOPMENT

PLYTEC is committed to creating lasting positive impact in the communities where we operate. Our community engagement approach spans direct financial contributions to associations, non-profit organisations, education, healthcare, and cultural development programmes; local procurement that sustains regional economic activity; and active participation in industry-level initiatives that advance digital construction and sustainability awareness.

In FYE 2025, PLYTEC's total community investment amounted to **RM70,250**, compared to **RM155,830** in FYE 2024. PLYTEC remains committed to supporting initiatives that deliver positive value to the community.

Community Investment			
Metric	FYE 2023	FYE 2024	FYE 2025
Total amount invested in community initiatives (RM)	21,750	155,830	70,250
Total number of beneficiaries	16	60	14

SUSTAINABILITY STATEMENT (CONT'D)

PILLAR NO. 3 – PEOPLE, SOCIAL AND COMMUNITY ENGAGEMENT (CONT'D)

SUPPLY CHAIN MANAGEMENT

PLYTEC's supply chain management approach integrates responsible procurement, local economic development, and – from FYE 2025 – formal **ESG criteria** into supplier evaluations. We prioritise local suppliers to sustain regional businesses, reduce transportation distances and lower the environmental footprint of our supply chain.

In FYE 2025, 83% of PLYTEC's procurement spend was directed to local suppliers, recovering from 65% in FYE 2024 and approaching the FYE 2023 level of 85%. This reflects the Group's commitment to local economic contribution and a deliberate sourcing strategy supporting the ramp-up of Olak Lempit Factory 1.

FYE 2025 also marks the first year in which **ESG evaluation criteria** were formally incorporated into supplier assessments. A total of **8 suppliers were assessed** against ESG parameters in FYE 2025, establishing the baseline for progressive supply chain sustainability governance. This initiative is aligned with the **Sustainable Supply Chain Governance** emerging material topic identified for materiality assessment in FY 2026.

Supply Chain Management			
Metric	FYE 2023	FYE 2024	FYE 2025
Proportion of spending on local suppliers	85%	65%	83%
Suppliers assessed with ESG criteria (FYE 2025 inaugural)	N/A	N/A	8

FYE 2025 Social and Community Performance Summary



Zero human rights violations | **5,698** total training hours | All employees ≥ 8 hrs | **RM70,250** community investment | **83%** local procurement | **8** suppliers ESG-assessed

SUSTAINABILITY STATEMENT (CONT'D)

Pillar No. 4

GOVERNANCE

CORPORATE GOVERNANCE | ANTI-CORRUPTION | DATA PROTECTION |
SUSTAINABILITY GOVERNANCE | IFRS S1 AND S2

Good governance is the foundation upon which PLYTEC's sustainability commitments are built. Our Group remains committed to upholding ethical business conduct and full compliance with all applicable laws and regulations, progressively adopting the principles of the **MCCG 2021** where relevant. In FYE 2025, governance at PLYTEC expanded in scope: in addition to our established corporate governance, anti-corruption and data protection frameworks, the Board assumed **formal accountability for climate-related risks and opportunities through** the strengthening of the Group's climate-related governance and disclosure, aligned with Bursa Malaysia's SRG and NSRF expectations.

Cross-Reference — Climate Governance



Detailed disclosure of PLYTEC's climate governance structure — including Board-level oversight of climate risks, ARMC review, CSO responsibilities and the ESG Working Group — is presented in the **Climate Adaptation and Resilience** section (Section B: Governance) of this Statement.

CORPORATE GOVERNANCE

Beyond financial performance, PLYTEC acknowledges that **integrity, transparency and accountability** are indispensable to sustaining long-term stakeholder value. The Board and Senior Management actively promote a corporate culture of ethical and professional conduct at all levels of the organisation. The Board holds ultimate accountability for PLYTEC's sustainability direction, including climate governance under IFRS S2 and works closely with management to embed responsible business practices across all five operating segments.

To uphold corporate governance standards, the Board continues to refine and reinforce key policies and procedures. These include:



Code of Ethics
and Conduct



Corporate
Disclosure Policy



Whistleblowing
Policy



Anti-Bribery and
Anti-Corruption



Data Protection
and Privacy

SUSTAINABILITY STATEMENT (CONT'D)

PILLAR NO. 4 – GOVERNANCE (CONT'D)

CORPORATE GOVERNANCE (CONT'D)

In FYE 2025, PLYTEC incurred **zero fines or regulatory censures** for non-compliance or misconduct related to environmental, socio-economic, corporate governance, or anti-corruption matters. The Group recorded zero incidents of corruption, customer data breaches, or regulatory non-compliance across all operations and business segments.

Full details of PLYTEC's corporate governance practices, Board composition, committee structures, and directors' remuneration are disclosed in the **Corporate Governance Overview Statement** and **Corporate Governance Report** in this **Annual Report 2025**. The governance disclosures in this Statement focus specifically on ESG-relevant governance matters.

SUSTAINABILITY GOVERNANCE – FYE 2025 MILESTONES

FYE 2025 represents a significant advancement in PLYTEC's sustainability governance maturity. The table below summarises the key governance milestones achieved during the year:

Area	FYE 2025 Milestone
Sustainability Reporting	Capacity building for IFRS S1 and S2 commenced in this Statement, marking PLYTEC's first structured effort to strengthen climate-related governance, strategy, risk management and metrics and targets capabilities under Bursa Malaysia's SRG and NSRF.
Climate Governance	Climate-related risks formally elevated to the Board-level risk register. ARMC reviews climate risk profile as part of the ERM framework. Sustainability Risk Owner (SRO) and Climate Risk Owner (CRO) designated.
ESG Capability	Chief Sustainability Officer (CSO) and key ESG Working Group members attained Certified ESG Professional qualifications. MAP – Part II: Leading Impact completed by Senior Management.
Supplier Governance	ESG evaluation criteria formally incorporated into supplier assessments for the first time. 8 suppliers assessed in FYE 2025 as the inaugural cohort.
Anti-Corruption	100% of employees briefed and signed the Director and Employee Free Anti-Corruption declaration. Zero confirmed incidents of corruption across all operations.
Data Protection	Zero substantiated complaints concerning customer data breaches or privacy violations. Data protection policies remain in full effect across all operating segments.

The elevation of climate risk into the formal ERM framework – reviewed by the ARMC alongside conventional financial and operational risks – marks a structural change in how PLYTEC's Board exercises its oversight responsibilities. This is consistent with IFRS S2 requirements for Board-level climate governance and with Bursa Malaysia's SRG and NSRF expectations for ACE Market issuers.

SUSTAINABILITY STATEMENT (CONT'D)

PILLAR NO. 4 – GOVERNANCE (CONT'D)

ANTI-FRAUD, BRIBERY AND CORRUPTION

PLYTEC maintains a **zero-tolerance policy** towards bribery, fraud and corruption across all operations and business relationships. Our **Anti-Bribery and Anti-Corruption (ABAC) Policy** is supported by a corporate liability risk management framework that addresses the requirements of the **Malaysian Anti-Corruption Commission (MACC) Act 2009**, including Section 17A on corporate liability.

In FYE 2025, **100% of employees** across all categories were briefed on anti-corruption obligations and signed the **'Director and Employee Free Anti-Corruption' declaration**. All operations were assessed for corruption-related risks, and **zero confirmed incidents of corruption** were recorded. These standards are embedded in annual compliance cycles and are not treated as one-off events.

Anti-Fraud, Bribery and Corruption			
Metric	FYE 2023	FYE 2024	FYE 2025
Employees briefed and signed 'Director and Employee Free Anti-Corruption' declaration	100%	100%	100%
Percentage of operations assessed for corruption-related risks	100%	100%	100%
Confirmed incidents of corruption and action taken	0	0	0

CYBER SECURITY AND CUSTOMER DATA PROTECTION

The protection of customer and business data is a governance priority as PLYTEC's operations become increasingly digitised — spanning ERP systems, BIM platforms, DDE Solutions digital advisory services, and rental asset and customer data management. PLYTEC's data protection framework is aligned with the **Personal Data Protection Act 2010 (PDPA)** and supported by internal data governance policies covering data access controls, incident response and employee awareness training.

In FYE 2025, PLYTEC recorded **zero substantiated complaints concerning breaches of customer privacy or losses of customer data**. The Group's data protection policies remain fully in effect across all operating segments, and no material cybersecurity incidents were reported during the year.

Cyber Security and Customer Data Protection			
Metric	FYE 2023	FYE 2024	FYE 2025
Substantiated complaints concerning breaches of customer privacy or losses of customer data	0	0	0
Material cyber security incidents reported	0	0	0
Regulatory fines related to data protection	0	0	0

SUSTAINABILITY STATEMENT (CONT'D)

PILLAR NO. 4 – GOVERNANCE (CONT'D)

LOOKING AHEAD – GOVERNANCE PRIORITIES FOR FY 2026

PLYTEC's governance agenda for FY 2026 is shaped by the progressive disclosure roadmap committed in this Statement and by the evolving regulatory obligations under Bursa Malaysia's SRG and NSRF. Key priorities include:

- **Progressive disclosure:** Progressively exploring climate-related metrics directionally, as part of building towards future financial-impact estimates. The solar PV initiative remains under evaluation and will be progressed after establishing a reliable production energy baseline to support optimal system sizing.
- **Materiality assessment:** Conduct a materiality assessment in FY 2026 focused on identifying sustainability-related risks and opportunities that may affect the Group's business and financial position, progressively strengthening the financial materiality lens.
- **Supplier ESG governance:** Initiated the ESG supplier assessment programme with an inaugural cohort of 8 suppliers, forming the foundation for a formal Sustainable Supply Chain Governance framework targeted for FY 2026.
- **Board ESG capability:** Sustain Board and Senior Management ESG literacy through continued professional development, building on the MAP – Part II: Leading Impact programme and Certified ESG Professional qualifications attained in FYE 2025.

FYE 2025 Governance Performance Summary



Zero regulatory violations | **Zero** corruption incidents |
Zero data breaches | **100%** ABAC declaration |
100% operations risk-assessed | IFRS S2-aligned disclosure
published as part of our ongoing capacity-building effort

SUSTAINABILITY STATEMENT (CONT'D)

CLIMATE ADAPTATION AND RESILIENCE

PLYTEC'S IFRS S1 AND S2 CAPACITY BUILDING JOURNEY

PLYTEC recognises that climate change presents both challenges and strategic opportunities for the construction sector. In alignment with Bursa Malaysia's SRG and NSRF, we are currently in a **capacity-building and exploration stage** to further our understanding of the **IFRS S1 and S2** requirements.

For FYE 2025, our focus is on researching best practices and observing early adopters among Public Listed Companies (PLCs) to ensure our future climate disclosures are robust, decision-useful and fully aligned with evolving market standards.

The disclosures in this chapter reflect PLYTEC's current state of understanding and preparedness. They are presented in good faith and in the spirit of transparency, structured around the four internationally recognised pillars — Governance, Strategy, Risk Management and Metrics and Targets — to provide a consistent framework for readers and to guide progressive enhancement of disclosures over time.

A. IFRS S1 AND S2 — OVERVIEW AND PLANNING

IFRS S1 and S2 establish a framework for identifying and disclosing sustainability and climate-related risks and opportunities that may affect an entity's financial position over the short, medium or long term. PLYTEC is currently evaluating how to best integrate the four pillars of this framework into our reporting structure:

- **Governance:** Oversight of climate-related risks and opportunities.
- **Strategy:** Anticipated effects on the business model and financial planning.
- **Risk Management:** Processes used to identify and monitor risks.
- **Metrics and Targets:** Performance measurement against set climate goals.

As an ACE Market issuer, we are utilising the qualitative proportionality relief provided under the Bursa Malaysia's SRG and NSRF for FYE 2025 while we develop the necessary internal data infrastructure.

B. GOVERNANCE — PLANNING FOR CLIMATE OVERSIGHT

We are refining our climate governance framework to ensure clear lines of accountability for sustainability matters.

- **Board of Directors:** Maintains ultimate oversight of sustainability direction and climate risk appetite.
- **Audit and Risk Management Committee (ARMC):** Reviews climate risks as part of the Group's Enterprise Risk Management (ERM) framework.
- **Sustainability and Climate Risk Ownership:** The Chief Sustainability Officer (CSO) and the ESG Working Group are responsible for coordinating data collection and researching IFRS-aligned disclosure requirements.

SUSTAINABILITY STATEMENT (CONT'D)

C. STRATEGY – BUSINESS RESILIENCE AND TIME HORIZONS

PLYTEC's long-term strategy involves protecting the resilience of our rental asset model and capturing opportunities from Malaysia's transition to a low-carbon economy. We categorise our climate considerations across three horizons:

Horizon	Indicative Period	Key Focus for PLYTEC
Short-term	Current to 2026	Focus on immediate regulatory obligations and establishing GHG baselines.
Medium-term	2027 – 2030	Aligning with national carbon policies and progressively exploring climate-scenario analysis where data readiness permits, alongside preparations for external assurance readiness.
Long-term	2031 and beyond	Full physical and transition climate risk assessment; PLYTEC's net-zero 2050 pathway.

D. RISK MANAGEMENT – INCORPORATING SRRO AND CRRO INTO THE ERM FRAMEWORK

We are in the process of formally incorporating **SRRO** and **CRRO** into our ERM framework. This is a progressive effort focused on:

- **Capacity Building:** Conducting awareness sessions for the Board and ARMC to align on materiality and risk appetite.
- **Researching Frameworks:** Identifying physical and transition risks using the TCFD taxonomy as an initial reference.
- **Developing Systems:** Establishing the foundation for a structured risk assessment cycle to be formalised in future reporting periods.

E. METRICS AND TARGETS – GHG EMISSIONS, ENERGY AND NET-ZERO COMMITMENT

PLYTEC tracks and discloses environmental performance metrics in accordance with the **GHG Protocol Corporate Accounting and Reporting Standard**. The following baseline metrics reflect the current scope of data coverage and will be expanded progressively as measurement maturity improves:

GHG Emissions

GHG Metric	FYE 2023	FYE 2024	FYE 2025	Notes
Scope 1 – Direct Emissions (tCO₂e)	—	—	747.50	FYE 2025 inaugural Scope 1 disclosure. Boundary covers company vehicles and forklifts (diesel and petrol) across office and site operations. Standby generators and Olak Lempit Factory 1 operations excluded from FYE 2025 boundary – to be incorporated progressively.
Scope 1 Intensity (tCO₂e / RM'million revenue)	—	—	3.89	Calculated on FYE 2025 inaugural Scope 1 boundary (company vehicles and forklifts only). Intensity will be restated as boundary expands in subsequent years.

SUSTAINABILITY STATEMENT (CONT'D)

E. METRICS AND TARGETS – GHG EMISSIONS, ENERGY AND NET-ZERO COMMITMENT (CONT'D)

GHG Emissions (Cont'd)

GHG Metric	FYE 2023	FYE 2024	FYE 2025	Notes
Scope 2 – Purchased Electricity (tCO₂e, location-based)	571.34	576.32	673.21	Grid emission factor applied based on Malaysia national grid (FYE 2023: 0.760; FYE 2024 – 2025: 0.740). Absolute Scope 2 emissions increased by 16.8% versus FYE 2024, primarily attributable to the commencement of the Olak Lempit Factory 1 in Q4 2025.
Scope 2 Intensity (tCO₂e / RM'million revenue)	3.47	2.87	3.50	Year-on-year increase observed, with FYE 2025 intensity 22.0% higher than FYE 2024 and 0.9% above the FYE 2023 baseline, attributable to the commencement of the Olak Lempit Factory 1 in Q4 2025.
Scope 3 – Upstream Supply Chain (tCO₂e)	Not yet collected	Not yet collected	Not yet collected	Scope 3 Categories 6 and 7 (business travel and employee commuting) targeted FY 2028. Category 1 supply chain data (top 20 suppliers by spend) targeted FY 2028.
Net-Zero Target	—	—	Aspirational 2050 target	PLYTEC aspires to achieve net-zero GHG emissions by 2050, aligned with Malaysia's national net-zero target and the Paris Agreement 1.5°C pathway.

Energy Consumption

Energy Metric	FYE 2023	FYE 2024	FYE 2025	Notes
Total Energy Consumption (MWh)	752	779	910	Energy consumption rose by 16.8% compared to FYE 2024, driven primarily by the start of operations at the Olak Lempit Factory 1 in Q4 2025.
Energy Intensity (MWh / RM'million revenue)	4.56	3.87	4.73	FYE 2025 energy intensity rose by 22.2% year on year and 3.7% against the FYE 2023 baseline, attributable to the commencement of the Olak Lempit Factory 1 in Q4 2025.
Renewable Energy (Solar PV)	Nil	Nil	Deferred	Installation of Solar PV at Olak Lempit Factory 1. Decision taken to first establish a reliable energy consumption baseline from PMCP operations, enabling optimum system sizing.

SUSTAINABILITY STATEMENT (CONT'D)

E. METRICS AND TARGETS – GHG EMISSIONS, ENERGY AND NET-ZERO COMMITMENT (CONT'D)

Water Consumption

Water Metric	FYE 2023	FYE 2024	FYE 2025	Notes
Total Water Consumption – Mains (m³)	25,357	42,719	24,794	42.0% reduction in mains water consumption versus FYE 2024, attributable to the rainwater harvesting system commissioned at Olak Lempit Factory 1 in Q4 2025.
Rainwater Harvesting	Nil	Nil	Operational (Q4 2025)	Rainwater harvesting system commissioned at Olak Lempit Factory 1 in Q4 2025. FYE 2025 marks the first contribution from a supplementary water source, directly reducing mains dependency.

Progressive Disclosure Roadmap

The following roadmap reflects PLYTEC's planned IFRS S1 and S2 disclosure journey. FYE 2025 serves as a capacity-building year, with FY 2026 and FY 2027 continuing this progression as the Group strengthens its data readiness, internal capabilities and alignment with evolving regulatory expectations. Future enhancements remain targeted and will be implemented in line with regulatory developments, data availability and organisational maturity.

Year	Disclosure Milestone	Basis & Implication
FYE 2025	Capacity building year. GHG Scope 1 inaugural baseline established. Scope 2 disclosed (three-year trend). Rainwater harvesting commissioned in Q4 2025. SRRO/CRRO awareness programme for the Board and ARMC.	Environmental metrics disclosed. IFRS S1 and S2 narrative presented on exploratory basis. The Board and ARMC introduced to SRRO/CRRO concepts. Foundation for FY 2026 inaugural structured disclosure established.
FY 2028	Targeted enhancement of structured climate disclosure. Scope 3 Categories 6 and 7 (business travel and employee commuting). CRRO formally integrated into ERM framework.	Enhanced qualitative disclosure and expanded data coverage, subject to readiness.
FY 2029+	Pursuing limited external assurance and progressing scenario analysis where appropriate.	Strengthened credibility and progressively improved decision-usefulness, subject to readiness and external requirements.

Forward-Looking Statement Caution

Qualitative assessments and plans regarding climate-related disclosures are based on Management's current understanding and available regulatory guidance. These are not financial forecasts. Actual progress and future disclosures will depend on the evolution of Malaysian regulatory requirements, the availability of semi-quantitative data and the maturation of internal GHG accounting infrastructure.

SUSTAINABILITY STATEMENT (CONT'D)

CLOSING

PLYTEC'S CONTINUED SUSTAINABILITY COMMITMENT

PLYTEC remains committed to integrating sustainability into every dimension of our business — guided by the leadership of the Board, Management and ESG Team. We will continue to assess and improve our ESG performance, deepen our IFRS S1 and S2 disclosure, and strengthen our governance frameworks in step with regulatory expectations and stakeholder needs.

Technology, digital innovation and responsible business conduct remain central to our approach — enabling PLYTEC to deliver productivity, quality and sustainability outcomes simultaneously. Through continued collaboration with government agencies, higher learning institutions and industry partners, we will advance the adoption of BIM and digital construction practices, contributing to Malaysia's construction sector transformation.

Moving forward, we will build on the governance and sustainability foundations established in FYE 2025 — creating long-term and shared value for our shareholders, employees, customers, supply chain partners and the communities we serve.

SUSTAINABILITY STATEMENT (CONT'D)

SUMMARY OF PERFORMANCE DATA TABLE

The following performance data table has been generated via the Bursa Malaysia CSI Platform and it summarises the Group's progress across the indicators related to sustainability matters for the financial year ended 31 December 2025:-

PLYTEC HOLDING BERHAD

BMLR Transition Period

Date & Time: 2026-04-29,11:11:09

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
C1) Anti-Fraud, Bribery and Corruption	a) Employees briefed and signed 'Director and Employee Free Anti-Corruption' declaration	Percentage	100	-	No assurance
C1) Anti-Fraud, Bribery and Corruption	b) Percentage of operations assessed for corruption-related risks	Percentage	100	-	No assurance
C1) Anti-Fraud, Bribery and Corruption	c) Confirmed incidents of corruption and action taken	Case	0	-	No assurance
C2) Community Investment	a) Total amount invested in community initiatives	RM	70,250	-	No assurance
C2) Community Investment	b) Total number of beneficiaries	No	14	-	No assurance
C3) (a) Percentage of employees by gender and age group, for each employee category	a) Male	Percentage	79	-	No assurance
C3) (a) Percentage of employees by gender and age group, for each employee category	a) Female	Percentage	21	-	No assurance
C3) (b) Percentage of senior management by gender and age group	b) Male	Percentage	73	-	No assurance
C3) (b) Percentage of senior management by gender and age group	b) Female	Percentage	27	-	No assurance
C3) (c) Percentage of senior management by gender and age group	b) <30	Percentage	0	-	No assurance
C3) (c) Percentage of senior management by gender and age group	b) 30 - 50	Percentage	40	-	No assurance

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY STATEMENT (CONT'D)

SUMMARY OF PERFORMANCE DATA TABLE (CONT'D)

The following performance data table has been generated via the Bursa Malaysia CSI Platform and it summarises the Group's progress across the indicators related to sustainability matters for the financial year ended 31 December 2025 (Cont'd):-

PLYTEC HOLDING BERHAD BMLR Transition Period						
Date & Time: 2026-04-29_11:11:09 FYE 31/12/2025						
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	
C3) (b) Percentage of senior management by gender and age group	b) 51 - 60	Percentage	60	-	No assurance	
C3) (b) Percentage of senior management by gender and age group	b) >60	Percentage	0	-	No assurance	
C4) Energy Management	a) Total electricity consumption	MWh	910	-	No assurance	
C5) Health and Safety	a) Number of work-related fatalities	Number	0	-	No assurance	
C5) Health and Safety	b) Lost time incident rate	Number	2	-	No assurance	
C5) Health and Safety	c) Number of employees trained on health and safety standards	Number	64	-	No assurance	
C6) Labour Practices and Standard - (a) Total hours of training by employee category	Senior Management	Hours	668	-	No assurance	
C6) Labour Practices and Standard - (a) Total hours of training by employee category	Middle Management	Hours	834	-	No assurance	
C6) Labour Practices and Standard - (a) Total hours of training by employee category	Executive	Hours	1,148	-	No assurance	
C6) Labour Practices and Standard - (a) Total hours of training by employee category	Non-executive	Hours	3,048	-	No assurance	
C6) (b) Percentage of employees that are contractors or temporary staff	Temporary employee	Percentage	46	-	No assurance	
C6) (c) Total number of employee turnover	Male	Number	16	-	No assurance	
C6) (c) Total number of employee turnover	Female	Number	12	-	No assurance	

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY STATEMENT (CONT'D)

SUMMARY OF PERFORMANCE DATA TABLE (CONT'D)

The following performance data table has been generated via the Bursa Malaysia CSI Platform and it summarises the Group's progress across the indicators related to sustainability matters for the financial year ended 31 December 2025 (Cont'd):-

PLYTEC HOLDING BERHAD

BMLR Transition Period

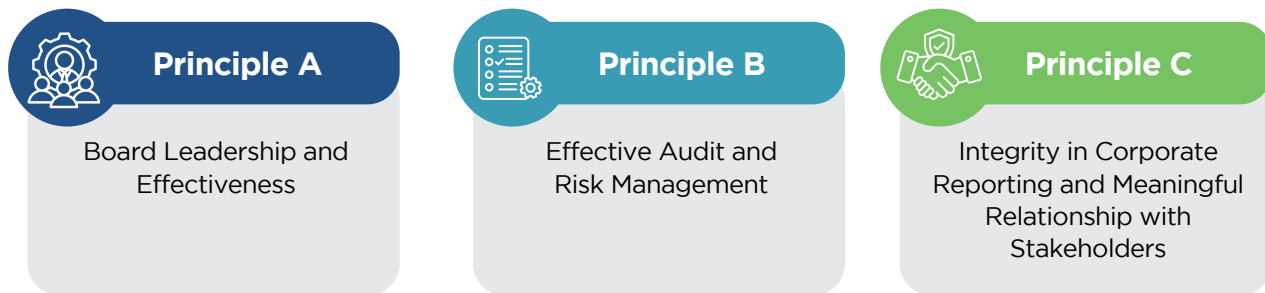
Date & Time: 2026-04-29_11:11:09
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
C6) (c) Total number of employee turnover	<30	Number	16	-	No assurance
C6) (c) Total number of employee turnover	30 - 50	Number	11	-	No assurance
C6) (c) Total number of employee turnover	>50	Number	1	-	No assurance
C6) (d) Number of substantiated complaints concerning human rights violation	Incidents of human rights complaints	Number	0	-	No assurance
C6) (d) Number of substantiated complaints concerning human rights violation	Whistleblowing cases reported	Number	0	-	No assurance
C7) Supply Chain Management	a) Proportion of Spending on local suppliers	Percentage	83	80	No assurance
C8) Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	-	No assurance
C9) Water	Total water consumption	m3	24,794	-	No assurance
C10) Total waste generated	Total waste diverted from disposal	Tonnes	0	-	No assurance
C10) Total waste generated	Total waste directed to disposal	Tonnes	99	-	No assurance
C10) Total waste generated	Total hazardous waste disposal	Tonnes	1.95	-	No assurance
C11) Emissions Management	a) Scope 1 emissions	Tonnes of CO2e	74750	-	No assurance
C11) Emissions Management	b) Scope 2 emissions	Tonnes of CO2e	673.21	-	No assurance

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**the Board**”) of PLYTEC Holding Berhad (“**the Company**”) recognises the importance of adopting good corporate governance within the Company and its subsidiaries (“**the Group**”) as a fundamental part of discharging its responsibilities to safeguard the interests of all stakeholders. The Board will continuously evaluate and enhance management practices, as well as strengthening internal control systems to ensure high standards of corporate governance practices are consistently maintained throughout the Group.

The Corporate Governance Overview Statement (“**this Statement**”) is made pursuant to Rule 15.25(1) of the ACE Market Listing Requirements (“**ACE LR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and guidance is drawn from Practice Note 9 of the ACE LR and the Corporate Governance Guide (4th Edition) issued by Bursa Securities. This overview statement, which sets out a summary of the Group’s corporate governance practices during the financial year ended 31 December 2025 (“**FYE 2025**”), is based on the following three (3) key principles of the Malaysian Code on Corporate Governance 2021 (“**MCCG 2021**”):



This Statement is to be read together with the Corporate Governance Report for FYE 2025 (“**CG Report**”) which is available on the corporate website at <https://www.plytec.com.my/>.



PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

Part I: Board responsibilities

1.1 Board’s Leadership on Objectives and Goals

The Board is responsible for the proper stewardship of the Group in order to provide reasonable assurance of the Group’s long-term success. With this, the Board strives to ensure that all the Company’s strategic objectives are well-conveyed throughout the Group in order to achieve both short and long-term goals of the Company as a fundamental part of discharging its responsibilities to protect and enhance value for all stakeholders and raise the performance of the Company.

The Board is guided by the prevailing legal and regulatory requirements such as the Companies Act 2016 (“**CA 2016**”), the ACE LR and the MCCG 2021, as well as the Company’s Constitution and the Board Charter in discharging its fiduciary duties and responsibilities. The Board ensures that it sets the appropriate tone at the top by providing strategic direction, demonstrating strong leadership and championing good governance and ethical practices throughout the Group.

To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Company, the Board has, amongst others:-

- promoted good corporate governance culture within the Company which reinforces ethical, prudent and professional conduct;
- reviewed, challenged and deliberated on Management’s proposals for the Company, and monitored its implementation;

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part I: Board responsibilities (Cont'd)

1.1 Board's Leadership on Objectives and Goals (Cont'd)

- ensured that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- supervised and assessed the performance of Management;
- ensured there is a sound framework for internal controls and risk management;
- recognised the principal risks of the Company's business and that business decisions involve the taking of appropriate risks;
- ensured that Senior Management has the necessary skills and experience, and measures are in place to provide for the orderly succession of Board and Senior Management;
- ensured that the Company has in place procedures to enable effective communication with shareholders and stakeholders; and
- ensured the integrity of the Company's financial and non-financial reporting.

1.2 The Chairman of the Board, has during the year:-

- demonstrated leadership to the Board in discharging its duties and responsibilities effectively without limiting the principle of collective responsibility for the Board decisions;
- through the Company Secretary, set the board agenda and ensuring that board members receive complete and accurate information in a timely manner;
- led the conduct of the Board meetings and discussions in a manner that encouraged constructive discussions and effective contribution from each Director;
- encouraged active participation and allowed dissenting views to be freely expressed;
- acted as the facilitator between the Board and the Management by coordinating smooth communication flow between both parties;
- ensured appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the board as a whole;
- led the Board in establishing and monitoring good corporate governance practices within the Group; and
- reviewed the minutes of the Board meetings to ensure that the minutes accurately reflect the Board's deliberations, and matters arising from the minutes have been addressed properly.

1.3 Separation of positions of the Chairman and the Group Managing Director

The positions of the Chairman of the Board and the Group Managing Director are held by two (2) different individuals and each has a clear accepted division of responsibilities to ensure that there is a balance of power and authority to promote accountability. The Chairman is responsible for instilling good corporate governance practices and leadership, and for ensuring Board effectiveness. The Chairman leads the Board in its collective oversight of Management, while the Group Managing Director has the overall responsibilities over the Company's operating units, organisational effectiveness and implementation of Board policies and decisions. The distinct and separate roles of the Chairman and Group Managing Director are clearly defined in the Board Charter to ensure that no one individual has unfettered powers of decision-making.

1.4 Chairman of the Board is not a member of the Audit and Risk Management Committee ("ARMC"), Nomination Committee ("NC") and Remuneration Committee ("RC").

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part I: Board responsibilities (Cont'd)

1.5 Qualified and Competent Company Secretaries

The Board is supported by two (2) suitably qualified and competent Company Secretaries who carry out the responsibilities of the company secretarial function for the Group. Both Company Secretaries are qualified under Section 235(2)(a) of the Companies Act 2016. The Company Secretaries are external company secretaries from Securities Services (Holdings) Sdn. Bhd. with vast knowledge and experience from being in public practice and is supported by a dedicated team of company secretarial personnel.

The Company Secretaries, or together with their representatives, have during the year:-

- together with management, managed all Board and Board Committee meeting logistics;
- attended and recorded minutes of all Board and Board Committee meetings and facilitated Board communications;
- advised the Board on its roles and responsibilities;
- briefed the Board on the latest letters and circulars issued by Bursa Malaysia Berhad;
- facilitate the conduct of the assessments to be undertaken by the Board and Board Committees as well as compile the results of the assessments; and
- advised the Board on corporate disclosures and compliance with company and securities regulations and listing requirements.

The Company Secretaries also ensure that there is good information flow within the Board, Board Committees and Key Senior Management. Every Board member has unrestricted access at all times to the advice and services of the Company Secretaries to ensure effective functioning of the Board and its Board Committees, adherence to Board policies and procedures as well as compliance with regulations and governance practices.

The Company Secretaries have and will continue to constantly keep themselves abreast of matters concerning company law, the capital market, corporate governance, and other pertinent matters, and with changes in the same regulatory environment, through continuous training and industry updates.

The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in the discharge of its function and duties.

1.6 Access to information and advice

All members of the Board have full and unrestricted access to the professional advice and services of the Company Secretaries and Key Senior Management in the course of discharging their duties and responsibilities on matters relating to the procedures governing the Company. The Board may seek independent professional advice, whenever necessary and in appropriate circumstances, either individually or collectively on any matter concerning the discharge of their responsibilities at the expense of the Company.

The Notices of the scheduled Board Meetings are served to the Directors at least seven (7) days prior to the Board Meetings. Unless there is an exceptional case for convening of Special Meeting of the Board to address emergency issues, shorter notice would be allowed with the consent of all Directors.

To leverage the usage of technology, the Board papers are circulated to the Directors in electronic form via email at least three (3) business days prior to the Board Meetings, to allow the Directors to consider the relevant information. The Management will strive to circulate the Board papers at least five (5) business days in advance of the meeting day moving forward.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

**PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****Part I: Board responsibilities (Cont'd)****2.0 Demarcation of Responsibilities**

2.1 Board Charter

The Board has established and adopted a Board Charter, which sets out the Board's strategic intent and identifies the respective roles and responsibilities of the Board, Board Committees, individual Directors, Senior Independent Director and Senior Management, as well as issues and decisions reserved for the Board, the Board's governance structure and authority. The Board Charter is available on the Company's corporate website at <https://www.plytec.com.my/>.

As part of its efforts to ensure the effective discharge of its duties, the Board has delegated certain functions and authorities to three (3) of its Board Committees, namely, ARMC, NC and RC. These Committees are entrusted with specific responsibilities to assist the Board in overseeing the Company's affairs, in accordance with their limits of authority and respective Terms of Reference, which are published on the Company's website at <https://www.plytec.com.my/>. These Terms of Reference are reviewed as and when the need arises. The Board keeps itself abreast of the responsibilities delegated to each Board Committee, and matters deliberated at each Board Committee meeting through the minutes of the Board Committee meetings and reports by the respective Board Committee Chairman, at Board meetings.

ARMC

Details on the ARMC are in the ARMC Report contained in this Annual Report.

RC

Details on the RC are contained in the Corporate Governance Report.

NC

The NC is comprised exclusively of Independent Non-Executive Directors and the composition of the NC is as follows:-

Name	Designation	Directorship
Anita Chew Cheng Im	Chairperson	Independent Non-Executive Director
Kow Hoay Lee	Member	Independent Non-Executive Director
Goik Kenzu	Member	Independent Non-Executive Director

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part I: Board responsibilities (Cont'd)

2.0 Demarcation of Responsibilities (Cont'd)

2.1 Board Charter (Cont'd)

The NC is empowered by the Board to oversee the selection and assessment of Directors to be appointed to ensure that the Board's composition and skills meet the needs of the Company, and hence, is tasked with the following duties and responsibilities:-

- To assess and recommend to the Board, candidates for directorships;
- To recommend to the Board the nominees to fill the seats on Board Committees;
- To review succession policies and plans for members of the Board, Board Committees and Senior Management;
- To ensure that all Directors receive appropriate continuous training programmes;
- To assess the effectiveness of the Board and the Committees of the Board as a whole, and each individual Director;
- To review the term of office and performance of the ARMC and each of its members annually to determine whether the ARMC and members have carried out their duties in accordance with their Terms of Reference;
- To act in line with the directions of the Board;
- To consider and examine such other matters as the NC considers appropriate;
- To review the Board's composition (including skills, experience, diversity and independence) to ensure that the Board remains effective and balanced; and
- To consider any other matters as defined by the Board.

Summary of Works

The following works were undertaken by the NC during FYE 2025 and up to the date of this Statement:-

- Reviewed the contribution and performance of each individual Director and the effectiveness of the Board as a whole and the Committees of the Board;
- Reviewed the term of office and performance of the ARMC and each of its members;
- Reviewed the independence of the Independent Non-Executive Directors and assessed their ability to bring independent and objective judgement to Board deliberations and proposals;
- Assessed the suitability of the Directors who will be standing for re-election at the forthcoming annual general meeting of the Company;
- Reviewed the training programmes attended by the Directors for FYE 2025;
- Reviewed and discussed the Group's succession plans; and
- Reviewed and recommended the promotion of Key Senior Management to the Board for approval.

In assessing the performance of the Board, Board Committees and individual Directors of the Company, the NC takes into consideration the following:-

- Participation and contribution to discussions;
- Understanding of the Company's Activities; and
- Compliance with the Terms of Reference, duties and responsibilities of a director, and of a chairman of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

**PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****Part I: Board responsibilities (Cont'd)****2.0 Demarcation of Responsibilities (Cont'd)**

2.1 Board Charter (Cont'd)

Summary of Works (Cont'd)

The attendance of Directors who are members of Board committees during FYE 2025 is set out below:-

Name	NC	ARMC	RC
Anita Chew Cheng Im	2/2	5/5	2/2
Kow Hoay Lee	2/2	5/5	2/2
Goik Kenzu	2/2	5/5	2/2

3.0 Good Business Conduct and Corporate Culture

3.1 Code of Conduct and Ethics

The Board is committed in maintaining a corporate culture that engenders ethical conduct. The Board has formalised ethical standards by adopting a Code of Conduct and Ethics, which summarises what the Company must endeavour to do proactively in order to maintain the highest level of integrity and ethical conduct of the Board, Management and employees of the Group. The Company's Code of Conduct and Ethics covers the following:-

- conflict of interest
- insider trading
- anti-bribery and corruption
- trade secrets and confidentiality of information
- responsibility to report
- protection against unfair dismissal, victimisation or unwarranted disciplinary action
- environment, social and governance agenda
- misconduct, malpractice and irregularity
- reporting and investigations procedure

The Company's Code of Conduct and Ethics is available on the Company's corporate website at <https://www.plytec.com.my/>.

Employees are made aware that relevant disciplinary actions will be taken for unethical behaviour and misconduct.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part I: Board responsibilities (Cont'd)

3.0 Good Business Conduct and Corporate Culture (Cont'd)

3.2 Whistleblowing Policy

The Board has adopted a full-fledged Whistleblowing Policy, which provides an avenue for all employees and members of the public to voice or raise genuine concerns about any suspected and/or known misconduct, wrongdoings, corruption, fraud, and/or abuse involving the resources of the Group. The Whistleblowing Policy of the Company also provides guidance on the appropriate communication and feedback channels to facilitate whistleblowing.

The Company's Whistleblowing Policy is available on the Company's corporate website at <https://www.plytec.com.my/>.

For FYE 2025, none of the designated persons received any report or concerns vide the above mentioned communication and feedback channels.

3.3 Anti-Bribery and Corruption Policy

In support of ethical business practices, the Board has also adopted a zero-tolerance approach against all forms of bribery and corruption and takes a strong stance against such acts through the adoption of the Group's Anti-Bribery and Corruption Policy as additional measures to comply fully with the applicable laws and regulatory requirements on anti-bribery and anti-corruption.

This Policy applies to all employees and Directors of the Company (including temporary positions) and/or any person(s) associated with the Company. It is made available on the Company's corporate website at <https://www.plytec.com.my/>.

3.4 Directors' Fit and Proper Policy

The Board has in place a Directors' Fit and Proper Policy, which sets out the fitness and propriety for the appointment and re-election of Directors and to ensure that each of the Directors has the character, integrity, experience, competence and time commitment to effectively discharge his/her role as a Director of the Company in tandem with good corporate governance practices.

The Directors' Fit and Proper Policy is available on the Company's corporate website at <https://www.plytec.com.my/>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part I: Board responsibilities (Cont'd)

4.0 Governance of Sustainability

4.1 The Board promotes sustainability through its strategic oversight and integration of sustainability considerations in the decision-making process and operations of the Company. This entails taking a holistic view of how the Company creates value for its shareholders and stakeholders bearing in mind Environmental, Social and Governance (“**ESG**”) factors.

As part of the efforts in promoting and building sustainability momentum within the Group, the Management has strengthened the integration of ESG practices across the group-wide operations, with a particular focus on environmental and social dimensions.

Please refer to the Sustainability Statement in this Annual Report for further details.

4.2 The Company has engaged with stakeholders in a variety of ways which has been done at both the business units and group levels through formal and informal activities. The collective opinions and insights from the stakeholders help the Board make informed decisions, while aligning the stakeholders' expectations with the Company's sustainability priorities and business approach.

4.3 The Board, through the NC, assessed the training programmes attended by each Director during FYE 2025 to ensure that the Directors have and will continue to constantly keep abreast of the relevant requirements and matters concerning sustainability, including the latest development in the industry as well as the sustainability issues relevant to the Group.

4.4 As part of the sustainability initiatives, the Company has also included an assessment of the Board's understanding of sustainability issues that are critical to the Company's performance. As for the performance review of the Senior Management, the Company takes into account the sustainability risks such as health, safety and environmental risks, financial and people development and implements the relevant key performance indicators as part of the yearly performance appraisal.

4.5 During FYE 2025, Ts. Ir. Edward Han Liang Kwang, the former Chief Sustainability Officer was the designated person within Management to manage sustainability strategies and initiatives in the Group.

Part II: Board Composition

5.0 Board's Objectivity

5.1 Composition of the Board

The NC oversees and reviews on an ongoing basis, the overall composition of the Board in terms of size, the required mix of skills, experience and other qualities and core competencies for the Directors of the Company. The effectiveness of the Board as a whole and the contribution and performance of each individual Director to the effectiveness of the Board and the Board Committees will also be assessed by the NC on an annual basis.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part II: Board Composition (Cont'd)

5.0 Board's Objectivity (Cont'd)

5.1 Composition of the Board (Cont'd)

The Board presently has six (6) members which comprises one (1) Group Managing Director, one (1) Executive Director and four (4) Independent Non-Executive Directors including the chairman of the Board, which fulfils the prescribed requirement of one-third (1/3) of the Board to be independent as stated under Rule 15.02(1) of ACE LR of Bursa Securities. In addition, the Company also complies with Practice 5.2 of MCCG 2021 to have at least half of the Board comprised of Independent Non-Executive Directors.

The presence of Independent Non-Executive Directors from diverse professional background is invaluable assets to the Company, playing a pivotal role in strengthening corporate accountability. The role of Independent Non-Executive Directors is particularly important in providing objective and independent perspectives, advice and judgement, ensuring that decisions take into account not only the interests of the Group, but also the stakeholders. The profile of each Director is set out in another section of this Annual Report.

5.2 Tenure of Independent Director

In order to ensure independent and objective judgment is brought to the Board's deliberation by genuine independence of the independent directors and to ensure conflict of interest or undue influence from interested parties is well taken care of, the Board is committed to ensure the independence of the independent directors are assessed by the NC prior to their appointment based on formal nomination and selection process with the results of the review reported to the Board for consideration and decision.

As at the date of this Statement, none of the Independent Directors of the Company has served on the Board for more than nine (9) years.

The Board has not adopted a policy that limits the tenure of its Independent Directors to nine (9) years.

5.3 Procedures for Appointment and Re-Election of Directors

The NC is responsible for leading the review of the appropriate skills (including but not limited to professional skills, where applicable), experience and characteristics required of Board members through set procedures, in the context of the needs of the Group.

In assessing the fitness and propriety of the existing Directors of the Company seeking for re-appointment as well as candidates for nomination or appointment to the Board, the NC evaluates them based on the fit and proper criteria set out in the Directors' Fit and Proper Policy and subsequently, makes recommendations to the Board for its review and decision.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



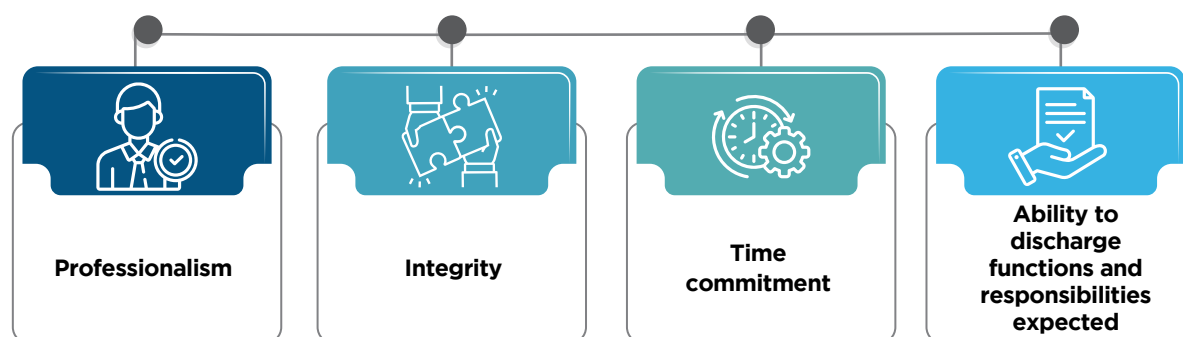
PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II: Board Composition (Cont'd)

5.0 Board's Objectivity (Cont'd)

5.3 Procedures for Appointment and Re-Election of Directors (Cont'd)

The objective criteria in their nomination and election process are summarised as follows:-



The new appointee will be considered and evaluated by the NC and the NC will then recommend the candidates to be approved and appointed by the Board. The Company Secretaries will ensure all appointments are properly documented. The Board will also consider utilising independent sources to identify suitably qualified candidates when the need arises in the future. Mr. Chu Wai Lee was appointed as the Managing Director of PLYTEC Formwork System Industries Sdn. Bhd. on 22 August 2025.

The NC is also responsible for making recommendations to the Board on the eligibility of the Directors to stand for re-election at the AGM. The performance of the retiring Directors who are recommended for re-election at the AGM has been assessed through the Board and Board Committee evaluation as well as the fit and proper assessment.

5.4 Diverse Board and Senior Management

The Board is supportive of the Board and Senior Management composition diversity recommendation promoted by the MCCG 2021 in order to offer greater depth and breadth to Board discussions and constructive debates at the Senior Management level.

The appointment of Board members and Senior Management is based on objective criteria, merit and besides gender diversity, due regard is placed for diversity in skills, experience, age and background. The profile of Directors and Senior Management are set out in another section of this Annual Report.

5.5 Chairperson of the NC

The NC is chaired by Ms. Anita Chew Cheng Im, the Independent Director appointed by the Board. The Chairperson of the NC is responsible for leading the NC in conducting an annual review of the effectiveness of the Board as a whole, and the Board Committees, as well as the contribution and performance of each individual Director on an ongoing basis, ensuring that the performance of each individual Director is independently assessed, participating in relevant trainings and will lead the succession planning and appointment of new Board members.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part II: Board Composition (Cont'd)

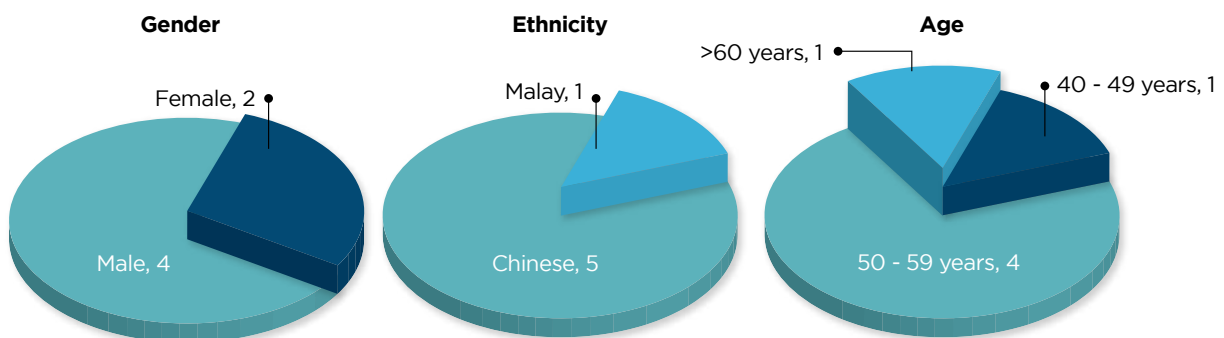
5.0 Board's Objectivity (Cont'd)

5.6 Boardroom and Gender Diversity

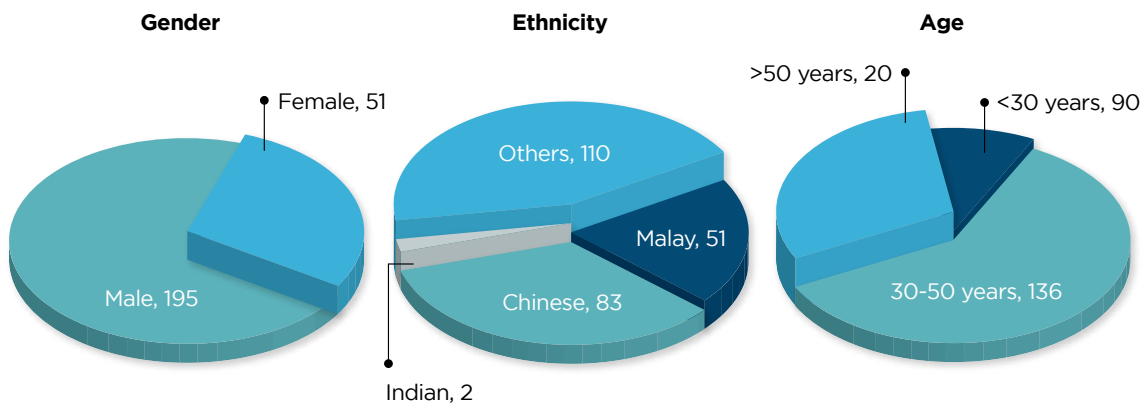
The Board recognises that a gender-diverse Board could offer greater depth and breadth whilst the diversity of key senior management would lead to better decision-making.

The Company has a Diversity Policy in place. The Board upholds a commitment to non-gender discrimination and promotes boardroom diversity by ensuring that all Board and Senior Management appointments are based on meritocracy, objective criteria, merit and with due regard to the benefits of diversity within the Board. In this context, diversity encompasses a wide range of factors, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge.

Gender, ethnicity and age diversities in the Board



Gender, ethnicity and age diversities in the workforce



CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part II: Board Composition (Cont'd)

6.0 Overall Effectiveness of the Board

6.1 Annual assessments

The Board, through the NC would undertake the following assessments annually and the results of the evaluations are assessed by the NC and presented to the Board:-

- a) The Board and Board Committees performance evaluation;
- b) Self-performance evaluation;
- c) ARMC performance assessment questionnaires; and
- d) Independence of the Independent Non-Executive Directors.

The annual assessment of individual Directors, Board as a whole and Board Committees are based on a comprehensive assessment system, which commences with the completion of a set of comprehensive Self-Assessment Form detailing all assessment criteria to be completed by all Directors for evaluation by the NC. Criteria for the self-assessment include self-ratings on the Director's knowledge, support of the mission and goals of the Company, time commitment, and active participation on the Board.

The independence of the Independent Non-Executive Directors of the Company has been fulfilled in accordance with ACE LR of Bursa Securities and would not impede their independence in carrying out their duties in the respective Board and Board Committees.

Based on the outcome of the abovementioned assessment conducted by the NC for FYE 2025, the Board was satisfied that:-

- Individual Directors are able to meet the Board of Directors' expectations in terms of character, experience, integrity, competency and time commitment in discharging their roles as Directors of the Company.
- Individual Directors exercised due care and carried out professional duties proficiently.
- The Board and Board Committees have been effective in carrying out their functions and duties.
- All Independent Directors have been and remain independent from management and free from any business relationship that could materially interfere with their independent judgement.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part II: Board Composition (Cont'd)

6.0 Overall Effectiveness of the Board (Cont'd)

6.2 Time Commitment

The Board meets at least four (4) times in each financial year and will hold additional meetings if the situation requires. Sufficient notices were given to the Board prior to each meeting.

During FYE 2025, there were six (6) Board meetings held and details of attendance by Directors who held office during that financial year under review are as follows:-

Directors	No. of meetings attended
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin bin Ali	6/6
Anita Chew Cheng Im	6/6
Yang Kian Lock	6/6
Ts. Ir. Louis Tay Chee Siong	6/6
Kow Hoay Lee	6/6
Goik Kenzu	6/6

In the intervals between the Board meetings, Board approvals are obtained via circular resolutions for exceptional matters requiring the Board's decision which is supported by the relevant information in order to form an informed decision. In order to facilitate the Directors' planning and time management, an annual meeting calendar is prepared and given to the Directors before the beginning of each financial year.

The Board is satisfied with the time commitment given by the Directors. All of the Directors do not hold more than five (5) directorships in public listed companies as stipulated under the ACE LR of Bursa Securities. If any Director wishes to accept a new directorship in the public listed companies, the Chairman of the Board will be informed beforehand together with an indication of the time that will be spent on the new appointment.

6.3 Directors' Training

In order for the Group to remain competitive, the Board ensures that the Directors continuously enhance their skills and expand their knowledge to meet the challenges of the Board. The Board has cultivated the following best practices:-

- All newly appointed Directors are required to attend the Mandatory Accreditation Programme Part 1 and Part 2 as prescribed by the ACE LR within their respective stipulated timeframe;
- All Directors are encouraged to attend talks, training programmes and seminars to update their knowledge of the latest regulatory and business environment;
- The Directors may be requested to attend additional training courses according to their individual needs as a Director or member of Board Committees on which they serve; and
- The Directors are briefed by the Company Secretaries on the circulars issued by regulatory bodies at each quarterly Board Meeting.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part II: Board Composition (Cont'd)

6.0 Overall Effectiveness of the Board (Cont'd)

6.3 Directors' Training (Cont'd)

During FYE 2025, five (5) out of six (6) Directors of the Company had attended appropriate training/briefing programmes to update and enhance their knowledge to enable them to discharge their duties more effectively as Directors and to keep abreast of the development in the marketplace. Below are the training/briefing programmes attended by the Directors:

Directors	Training(s) Attended
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin bin Ali	<ul style="list-style-type: none"> Leadership Coaching Program with MIGHTians High-Level Dialogue : Advising Government about Science MIGHT 2025 Nuclear Program : Nuclear Power in Malaysia's Energy Landscape 3rd Nuclear Workshop - Future Scenarios of Nuclear Power in Malaysia's Energy Landscape Workshop Environmental, Social & Governance (ESG) Conversation on "Friends of Sustainable Malaysia on Nuclear" Leadership Talk : "Lead with Conscience (Memimpin Dengan Hati Nurani)" Talent Assessment Program (TAP), Jawatan Utama Sektor Awam Skim Kejuruteraan Jabatan Kerja Raya (Gred Utama B dan Gred Utama C), Kementerian Kerja Raya Science & Technology in Society (STS) Forum - "Sustainability for Nature Positive Economy" Innovation for Cool Earth Forum (ICEF) Association of Academies and Societies of Sciences in Asia Workshop on Addressing Global Challenges in a Postnormal World & Keynote Presentation on ASEAN Ahead by Chairperson of ASEAN Ahead Report XThREE - Exploration Thorium & Rare-Earth Seminar Cyberjaya Conversation Summit - Frontier Competitiveness: Winning the Next Decade Environmental, Social & Governance (ESG) and Sustainability Reporting Landscape Training Compliance Training on the Malaysia Anti-Corruption Commission (MACC) (Amendment) Act 2009 - Section 17A (Corporate Liability)

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part II: Board Composition (Cont'd)

6.0 Overall Effectiveness of the Board (Cont'd)

6.3 Directors' Training (Cont'd)

Directors	Training(s) Attended
Yang Kian Lock	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II : Leading for Impact (LIP) In-house Programme - Maximizing Efficiency in Modern Warehousing Business Winning Strategy
Ts. Ir. Louis Tay Chee Siong	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II : Leading for Impact (LIP) FIDIC Contracts Introductory & FIDIC Claims & Disputes Courses In-house Programme - Maximizing Efficiency in Modern Warehousing
Anita Chew Cheng Im	<ul style="list-style-type: none"> Audit Oversight Board's conversation with Audit Committee members
Kow Hoay Lee	<ul style="list-style-type: none"> E-invoice Seminar 2025 ISA 570 (Revised 2024) - Enhancing Auditor & Responsibilities for Going Concern Audit Planning, Risk Assessment and Internal Control Asset Accounting under MPERS covering Property, plant and equipment, Investment Property and Biological Assets Key MFRS Standards - Underlying principals and applications MIA Webinar Series: Navigating Trade-Based Money Laundering: Fundamentals in AML/CFT Compliance Audit Quality Enhancement Programme for SMPs 2026 Tax budget seminar

Mr. Goik Kenzu did not attend any structured training programmes during the financial year under review. However, he has continuously kept himself abreast of the relevant changes and developments in the regulatory requirements, laws and accounting standards through the updates from the Company Secretaries as well as briefings by the External Auditors respectively.

All members of the Board have attended both the Mandatory Accreditation Programme Part 1 and Part 2 as prescribed by Bursa Securities.

The Directors are briefed by the Company Secretaries on the letters and circulars issued by Bursa Securities and are constantly updated on any changes in the regulatory requirements which may affect the governance practices of the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part III: Remuneration

7.0 Level and Composition of Remuneration

- 7.1 In view that fair remuneration is crucial to attract, retain and motivate Directors and Senior Management, the Board has adopted a Remuneration Policy, which takes into account the demands, complexities and performance of the Company as well as skills and experience required to determine the remuneration of Directors and Senior Management. The said policies and procedures are available on the Company's website at <https://www.plytec.com.my/>.

The RC is responsible for reviewing and making recommendations to the Board for approval, the framework and remuneration packages of each Director in all forms, drawing from outside advice whenever necessary prior to making the relevant recommendations to the Board so that the levels of remuneration are sufficient to attract and retain the Directors needed to run the Company successfully. In its review, the RC considers various factors including the Directors' fiduciary duties, time commitments and the Company's performance.

As part of the remuneration strategy, the table below sets out the guiding principles and their implementation:-

Guiding Principles	Details
Provide market competitive pay	<ul style="list-style-type: none"> Offer competitive packages to attract and retain talented and experienced individuals Align compensation pay with the market, subject to affordability
Pay-for-performance	<ul style="list-style-type: none"> Instill and drive a pay-for-performance culture Measure performance against performance appraisal e.g. performance scorecard, comprising financial and non-financial metrics
Fairness and internal equity	<ul style="list-style-type: none"> Reflect scope of responsibilities, experience and contributions Promote consistency and equity across comparable roles within the Group

7.2 Remuneration Committee

The Board has established a RC that assists the Board in reviewing and recommending the proposed remuneration packages of the Directors of the Company. The RC also assists the Board in structuring and linking Directors' remuneration to the strategic objectives of the Company, which rewards contributions to the long-term success of the Company in promoting business stability, sustainability and growth.

The RC is comprised exclusively of Independent Non-Executive Directors and the composition of the RC is as follows:-

Name	Designation	Directorship
Goik Kenzu	Chairman	Independent Non-Executive Director
Anita Chew Cheng Im	Member	Independent Non-Executive Director
Kow Hoay Lee	Member	Independent Non-Executive Director

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part III: Remuneration (Cont'd)

7.0 Level and Composition of Remuneration (Cont'd)

7.2 Remuneration Committee (Cont'd)

The following works were undertaken by the RC relating to its remuneration function during FYE 2025 and up to the date of this Statement:-

- Reviewed and assessed the payment of benefits payable to the Directors and recommended the same to the Board for consideration to recommend to the shareholders for approval;
- Reviewed the Directors' fees to the financial year ending 31 December 2026, and recommended the same to the Board for consideration to recommend to the shareholders for approval;
- Reviewed the remuneration packages for Executive Directors and Senior Management of the Company and recommended the same to the Board for approval; and
- Reviewed the bonus payment for Executive Directors and Senior Management of the Company and recommended the same to the Board for approval.

8.0 Remuneration of Directors and Senior Management

8.1 Directors' Remuneration

The Directors' fees payable to each Director of the Company are categorised into appropriate components in respect of FYE 2025 including the remuneration breakdown of fees, salary, bonus, benefits-in-kind and other emoluments, are as follows:-

Name of Directors	Received from the Company					Total (RM'000)
	Fees (RM'000)	Allowance (RM'000)	Salary and bonus (RM'000)	Benefits- in-kind (RM'000)	Other emoluments (RM'000)	
Executive Directors						
Yang Kian Lock	-	-	-	-	-	-
Ts. Ir. Louis Tay Chee Siong	-	-	-	-	-	-
Non-Executive Directors						
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin bin Ali	180	3.5	-	-	-	183.5
Anita Chew Cheng Im	90	3.5	-	-	-	93.5
Kow Hoay Lee	48	3.5	-	-	-	51.5
Goik Kenzu	60	3.5	-	-	-	63.5

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part III: Remuneration (Cont'd)

8.0 Remuneration of Directors and Senior Management (Cont'd)

8.1 Directors' Remuneration (Cont'd)

Name of Directors	Received from the Group					Total (RM'000)
	Fees (RM'000)	Allowance (RM'000)	Salary and bonus (RM'000)	Benefits- in-kind (RM'000)	Other emoluments (RM'000)	
Executive Directors						
Yang Kian Lock	-	-	1,056	28	411	1,495
Ts. Ir. Louis Tay Chee Siong	-	-	574	17	178	769
Non-Executive Directors						
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin bin Ali	180	3.5	-	-	-	183.5
Anita Chew Cheng Im	90	3.5	-	-	-	93.5
Kow Hoay Lee	48	3.5	-	-	-	51.5
Goik Kenzu	60	3.5	-	-	-	63.5

* The Directors' fees and benefits (meeting allowance) are subject to shareholders' approval at the Fourth Annual General Meeting of the Company.

8.2 Remuneration of the Senior Management

The Board is of the view that the disclosure of the Senior Management's remuneration components will not be in the best interest of the Group given the competitive human resources environment as such disclosure may give rise to talent recruitment and retention issues. Also premised on the confidentiality of the remuneration package of the Senior Management, the Board has adopted a disclosure of the Senior Management remuneration in bands of RM50,000 on an unnamed basis.

Range of Remuneration	No. of Senior Management
RM300,001 – RM350,000	1
RM400,001 – RM450,000	1
RM450,001 – RM500,000	1

The Board considers the remuneration information of Senior Management to be confidential and proprietary, and to respect their privacy, will not disclose said information in detail.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

Part I: Audit Committee

9.0 Effective and Independent ARMC

The Chairperson of the ARMC is chaired by Ms. Anita Chew Cheng Im, an Independent Non-Executive Director, while Tan Sri Datuk Dr. Ir. Ahmad Tajuddin bin Ali is the Chairman of the Board. This separation of leadership and responsibility ensured that the objectivity of the Board's review of the ARMC's findings and recommendations was not impaired. This separation is set out clearly in the Terms of Reference of the ARMC.

Ms. Anita Chew Cheng Im is responsible for ensuring the overall effectiveness and independence of the ARMC. Together with other members of the ARMC, they have ensured amongst others that:-

- a. the ARMC is fully informed about significant matters related to the Group's audit and its financial statements and these matters are addressed;
- b. the ARMC appropriately communicates its insights, views and concerns about relevant transactions and events to the Internal and External Auditors;
- c. the ARMC's concerns on matters that may have an effect on the financial or audit of the Company are communicated to the External Auditors; and
- d. there is co-ordination between Internal and External Auditors.

The composition and summary of works of the ARMC are included in the ARMC Report of this Annual Report, while the Terms of Reference of the ARMC are available at the Company's corporate website at <https://www.plytec.com.my/>.

The ARMC has formalised the policy that requires a cooling-off period of at least three (3) years to be observed by the former key audit partner of the Company's External Auditors in the Terms of Reference of the ARMC before being appointed as a member of the AC. This is to safeguard the independence of the audit and preparation of the Company's financial statements.

None of the ARMC members were former key audit partners. As a matter of practice, the ARMC has recommended to the NC not to consider any key audit partner as a potential candidate for the Board/ARMC member to affirm the ARMC's stand on such policy.

The ARMC comprises solely of Independent Directors in line with Step-up Practice 9.4 of the MCCG 2021.

All members of the ARMC are financially literate and are able to understand the Company's business and matters under the purview of the ARMC including the financial reporting process. They have continuously applied a critical and probing view on the Company's financial reporting process, transactions and other financial information, and effectively challenged Management's assertions on the Company's financials. Any inconsistencies or irregularities in the financial and operational reports would be questioned to ascertain that the Quarterly Report and the annual Audited Financial Statements taken as a whole provide a true and fair view of the Company's financial position and performance.

All members of the ARMC have also undertaken and will continue to undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules, as and when required.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part I: Audit Committee (Cont'd)

9.0 Effective and Independent ARMC (Cont'd)

9.1 Assessment of External Auditors

The Company maintains a transparent relationship with the external auditors in seeking their professional advice and towards ensuring compliance with the accounting standards.

In recommending the appointment or re-appointment of the External Auditors to the Board, the ARMC assesses the suitability, objectivity and independence of External Auditors that consider amongst others:-

- a. the competence, audit quality, experience and resource capacity of the external auditor and its staff assigned to the audit;
- b. the adequacy of the scope of the audit plan;
- c. the external auditor's ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;
- d. the nature and extent of the non-audit services rendered and the appropriateness of the level of fees; and
- e. obtaining assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The assessment to consider the suitability, objectivity and independence of the audit firm is conducted annually. The ARMC was of the view that Messrs. Crowe Malaysia PLT, the External Auditors, had conducted itself objectively and independently in carrying out the audit of the Company during FYE 2025, and the ARMC was satisfied with Crowe's technical competency.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part II: Risk Management and Internal Control Framework

10.0 Risk Management and Internal Control

The Board is aware and recognises various types of risks inherent in the businesses of the Group and the possible financial impact. As part of its ongoing process to identify, evaluate, and to manage risks, the Board with the assistance of the ARMC will monitor the effectiveness of internal control, including identifying risk areas, where the details of these risk events will be identified and discussed at length in the meetings. The findings and recommendations, if any, will be tabled at the Board meetings on a periodic basis, in which the key risks and corresponding risk-mitigating actions are identified and their progress are set for discussions and deliberations. With the approval of the Board, appropriate measures will be taken to strengthen the controls in order to improve risk management of the Group. An appropriate framework is being maintained on an ongoing basis to enhance and develop the Group's risk management further.

The Company also engages Internal Auditors to provide independent assessments of the adequacy, efficiency and effectiveness of the Company's internal control system. The Internal Auditors report directly to the ARMC and internal audit plans are tabled to the ARMC for review and approval by the Board to ensure adequate coverage.

Further details on the features of the risk management and internal control framework, and the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control in this Annual Report.

11.0 Effective Governance, Risk Management and Internal Control Framework

The internal audit function of the Company is carried out by an outsourced professional service firm, Resolve IR Sdn. Bhd., that assists the ARMC and the Board in managing the risks and establishing the internal control system and processes of the Company by providing an independent assessment of the adequacy, efficiency and effectiveness of the Group's risk management and internal control system and processes. The Internal Auditors report directly to both the ARMC and the Board.

The internal audit function is independent of the operations of the Company and provides reasonable assurance that the Company's system of internal control is satisfactory and operating effectively.

Further details of the internal audit function are set out in the Statement on Risk Management and Internal Control and the ARMC Report of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part I: Engagement with Stakeholders

12.0 Continuous Communication between the Company and Stakeholders

The Board believes that a constructive and effective investor relationship is essential in enhancing shareholders value. The Board, in its best efforts, always keep the shareholders and various stakeholders informed of the Group's business and corporate development and ensures that communication with them is transparent and timely.

The Company maintains a website at <https://www.plytec.com.my/> for shareholders, investors and general public to access information on amongst others, the Group's corporate profile, products, financial performance announcements published in Bursa Securities' website, Board Charter and Board Committees' Terms of Reference and corporate information. Shareholders may also communicate with the Company on investor relation matters by posting their enquiries to the Company through the Company's web enquiry form on its website.

The Company is not categorised as "Large companies" under the MCCG 2021 and hence, has not adopted integrated reporting based on a globally recognised framework.

Part II: Conduct of General Meetings

13.0 Encourage Shareholders' Participation at General Meetings

13.1 Participation at AGM

The Board of Directors acknowledges the need for shareholders to be informed of all material business matters affecting the Company. To encourage shareholders' participation, the Company had provided all shareholders an adequate notice period for the AGM of at least twenty-eight (28) days before the date of the Third AGM last year.

The Chairman of the Board and the Chairpersons of the respective Board Committees as well as the Board members were presented at the Third AGM held in 2025 to engage with the shareholders proactively.

The Board is supported by the External Auditors, the Company Secretaries, Sponsors, and Senior Management, where applicable, who were also presented at the Third AGM held in 2025 to communicate with the shareholders, investors as well as to respond to the queries raised.

13.2 Poll voting

The Company will conduct poll voting on all resolutions for all general meetings in compliance with the Bursa Securities' ACE LR requires that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)



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

Part II: Conduct of General Meetings (Cont'd)

13.0 Encourage Shareholders' Participation at General Meetings (Cont'd)

13.3 Voting in Absentia and Remote Shareholders' Participation at General Meeting(s)

In FYE 2025, the Company conducted its Third AGM physically in Malaysia, in accordance with Rule 8.29A of the Bursa Securities' ACE LR and following the announcement made by the Securities Commission Malaysia, which have mandated all public listed companies to hold their general meetings in either physical or hybrid format with effect from 1 March 2025.

While the Board recognises the benefits of leveraging technology to facilitate remote shareholder participation and voting in absentia, it is of the view that convening a fully physical general meeting enables direct, face-to-face interaction among shareholders, the Board, Senior Management, thereby fostering meaningful dialogue, deeper engagement and more robust discussions.

The Company's AGM was held at a strategic and easily accessible venue in Kuala Lumpur. Although the Third AGM was not convened in a hybrid format that would have enabled the shareholders to participate remotely, shareholders who were unable to attend in person were encouraged to appoint proxies to attend, participate, speak and vote in their stead at the general meeting. In addition, shareholders who were unable to attend the general meeting in person were allowed to submit their questions in advance of the meeting.

In light of the associated costs and the available manpower for conducting hybrid general meetings, the Board is of the view that it is not economically justifiable to enable voting in absentia and remote shareholders' participation at the forthcoming Fourth AGM of the Company. As such, the Fourth AGM of the Company will be conducted in a physical format.

The Minutes of the Third AGM were made available to the shareholders within thirty (30) business days from the date of the Third AGM under the "Investor Relations" section of the Company's corporate website at <https://www.plytec.com.my/>.

Statement by the Board on Corporate Governance Overview Statement

The Board is of the view that the Corporate Governance Overview Statement has provided the necessary information to assist shareholders in assessing how the principles and best practices of the MCCG 2021 have been adopted and complied with by the Company. The Board remains fully committed to achieving the highest level of integrity and ethical standards in delivering the objectives and sustainable performance of the Group in the long run.

The Company's Corporate Governance Report and Corporate Governance Overview Statement were approved by the Board on 23 April 2026.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

INTRODUCTION

The Board of Directors (“**the Board**”) of the Company is pleased to present the report of the Audit and Risk Management Committee for the financial year ended 31 December 2025 (“**FYE 2025**”).

PURPOSE

The Audit and Risk Management Committee (“**ARMC**”) assists the Board in discharging its statutory and fiduciary duties and responsibilities relating to accounting and reporting practices as well as risk management policies and strategies of the Company and its subsidiaries. It reviews the quarterly financial information before recommending it to the Board for approval and releases to Bursa Malaysia Securities Berhad (“**Bursa Securities**”). In addition to this, the ARMC reviews the systems of internal controls which Management and the Board have established and makes recommendations to Management on actions to be taken, if any, based on the reports of the independent Internal and External Auditors.

COMPOSITION OF THE ARMC AND MEETINGS ATTENDANCE

The ARMC of the Company comprises three (3) Independent Non-Executive Directors. This meets the requirements of Rule 15.09 of the ACE Market Listing Requirements (“**ACE LR**”) of Bursa Securities and satisfied the test of independence under the ACE LR of Bursa Securities and Step-Up Practice 9.4 of the Malaysian Code on Corporate Governance 2021 (“**MCCG 2021**”).

Ms. Anita Chew Cheng Im, the Independent Non-Executive Director is the Chairperson of the ARMC. In this respect, the Company complies with Rule 15.10 of the ACE LR of Bursa Securities where the elected chair of the ARMC is an independent director. Furthermore, in compliance with Practice 9.1 of the MCCG 2021, the Chairperson of the ARMC is not the Chairperson of the Board.

Ms. Kow Hoay Lee, one (1) of the members of the ARMC, has been a fellow of the Association of Chartered Certified Accountants (ACCA) since May 2013. She has also been a member of the Malaysian Institute of Chartered Accountants since November 2008. In this respect, the Company complies with Rule 15.09(1)(c) of the ACE LR of Bursa Securities.

The ARMC held five (5) meetings during the financial year under review. The members of the ARMC and their attendance at the meetings are set out below:-

Name	Designation	Directorship	Attendance
Anita Chew Cheng Im	Chairperson	Independent Non-Executive Director	5/5
Kow Hoay Lee	Member	Independent Non-Executive Director	5/5
Goik Kenzu	Member	Independent Non-Executive Director	5/5

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

AUTHORITY, DUTIES AND RESPONSIBILITIES OF ARMC

The ARMC is governed by its Terms of Reference (“**TOR**”), which is available at the Company’s website at www.plytec.com.my/.

SUMMARY OF THE WORK

During FYE 2025, the ARMC has discharged its functions and duties as set out in its TOR. The ARMC has an explicit right to convene meetings with both the Internal and External Auditors without the presence of other directors and employees.

A summary of the work of the ARMC in the discharge of its functions and duties for the financial year under review and how it has met its responsibilities during the financial year and up to the date of this ARMC report are as follows:-

(a) Financial reporting

- Reviewed the Group’s quarterly financial results focusing particularly on changes in or implementation of major accounting policies, significant and unusual events and compliance with accounting standards and other legal requirements before recommending them for approval by the Board for releasing announcements to Bursa Securities.

(b) Corporate Reporting

- Reviewed the Statement on Risk Management and Internal Control for inclusion in the Annual Report.
- Reviewed the ARMC Report for inclusion in the Annual Report.

(c) External Audit

- Reviewed the reports and the audited financial statements of the Group together with the External Auditors prior to tabling to the Board for approval.
 - In the review of the annual audited financial statements, the ARMC had discussed with Management and the External Auditors the accounting principles and standards that were applied and their judgement of the items that may affect the financial statements as well as issues and reservations arising from the statutory audit.
 - The matters discussed included recoverability of trade receivables and valuation of inventories, as raised by the Company’s External Auditors as Key Audit Matters (“**KAM**”).
 - The audit responses to address the abovesaid issues by the Company’s External Auditors were set out in the Independent Auditors’ Report (“**IAR**”). For detailed information on KAM, please refer to IAR in this Annual Report.
- Reviewed and approved the External Auditors’ audit plan for the Group covering the audit objectives and approach, areas of audit emphasis, timeline, relevant accounting standards issued by the Malaysian Accounting Standard Board, and other relevant technical pronouncements.
- Reviewed the statutory audit fees and non-audit service fees for FYE 2025. The ARMC also considered that the provision of non-audit services did not compromise the External Auditors’ objectivity and independence.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

SUMMARY OF THE WORK (CONT'D)

(c) External Audit (Cont'd)

- Reviewed the External Auditors' report to the ARMC of the Group for FYE 2025, covering the significant audit findings and financial reporting matters.
- Reviewed and discussed the External Auditors' audit report, covering the key audit matters raised and areas for concern highlighted in the Management letter, including Management's response to the concerns raised by the External Auditors.
- Met with the External Auditors without the presence of the Executive Directors and Management on 20 February 2025, in order to provide the External Auditors with an avenue to candidly express any concerns they may have, including those relating to their ability to perform their work without restraint or interference.
- Evaluated the External Auditors' suitability, objectivity and independence, taking into consideration their technical competencies, audit quality, manpower resource sufficiency to perform the audit of the Group, and made recommendation to the Board on their re-appointment at the Annual General Meeting.

(d) Internal audit

- Reviewed and approved the risk-based internal audit plan for FYE 2025 and the internal audit fees. The risk-based internal audit plan focused on key operational and financial processes across the Group.
- Reviewed internal audit report issued by the outsourced internal auditors in respect of the audit activities conducted, including the observations, recommendations for improvements, Management's responses as well as actions taken to improve the system of internal control and procedures. Where appropriate, the ARMC has directed Management to rectify and improve control procedures and workflow processes based on the internal audit function's recommendations and suggestions for improvement.
- Reviewed the follow-up results on the previous internal audit reports issued by the outsourced Internal Auditors. The ARMC monitored the implementation status of agreed action plans and rectification timelines to ensure timely closure of audit findings.
- Reviewed the adequacy of the scope, functions, resources and competency of the internal audit function.
- Met with the Internal Auditors without the presence of the Executive Directors and Management on 21 November 2025, in order to provide the Internal Auditors with an avenue to candidly express any concerns they may have, including those relating to their ability to perform their work without restraint or interference.

(e) Matters relating to related party transactions and conflict of interest ("COI")

Reviewed the quarterly and annual financial statements on the disclosures relating to related party transactions and monitored any COI situations that may arise within the Group and ensure compliance with provisions of the ACE LR of Bursa Securities.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

SUMMARY OF THE WORK (CONT'D)

(e) Matters relating to related party transactions and conflict of interest ("COI") (Cont'd)

Save and except for the potential COI as disclosed below, no COI or any other potential COI were identified or reported among the Board members and Key Senior Management during the financial year under review:-

No.	Name of company	Principal activities/ nature of transactions	Nature of interest
(i)	Yeo Cheng Choon Hardware & Machinery Sdn. Bhd.	Purchase of warehouse consumables by PLYTEC	Mr. Yang is holding an approximately 2% of shareholdings in Yeo Cheng Choon Hardware & Machinery Sdn. Bhd.
(ii)	Hanyoong Consult Sdn. Bhd.	Business of civil and structural, mechanical and electrical, professional consultant and construction management services	Ts. Ir. Edward Han Liang Kwang is a director and major shareholder of Hanyoong Consult Sdn. Bhd.
(iii)	Sim Kee Plywood & Paints Sdn. Bhd.	Hardware, timber and logging merchants	Mr. Chu is a director and major shareholder of Sim Kee Plywood & Paints Sdn. Bhd.

These transactions were deemed to have occurred in the normal course of business. To ensure proper management of the COI, the Company has internal governance policies and processes i.e. Conflict of Interest Policy and Related Party Transaction Policy in place to govern Directors' conflict of interest and related party transactions.

(f) Other matters

- Reviewed the aggregate amount of the financial assistance provided to a subsidiary company.
- Reviewed periodically the key financial ratios, summary of order books and other relevant financial indicators to assess and monitor the Group's financial position and overall financial health.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

INTERNAL AUDIT FUNCTION

The internal audit function plays an important role to provide the Board, through the ARMC, reasonable assurance of the effectiveness of the system of internal control in the Group. The ARMC has appointed a professional service firm, Resolve IR Sdn. Bhd. as the outsourced internal audit function of the Group. The outsourced internal audit function is tasked to undertake independent review on the adequacy and effectiveness of internal control systems in accordance with the scope of work that is approved by the ARMC. In addition, the work of the outsourced internal audit function is guided by the International Professional Practices Framework of Internal Auditing.

The outsourced Internal Audit Function reports directly to the ARMC on a quarterly basis. A summary of work of the internal audit function for FYE 2025 is as follows:-

- (a) Formulated a risk-based internal audit plan that focuses on key risk areas of the Group and presented the plan for the ARMC's review and approval.
- (b) Executed internal audit reviews covering the following business processes or areas in accordance with the approved audit plan:-

Coverage	Business Processes
Group-wide	<ul style="list-style-type: none"> ● Sustainability Reporting Framework Review ● Management Information System ● Credit Control and Collection ● Investment Management
PLYTEC Formwork System Industries Sdn. Bhd.	<ul style="list-style-type: none"> ● Project Management/After Sales Support ● Sales and Marketing

- (c) Results of the internal audit reviews carried out were reported to the ARMC, highlighting internal control weaknesses identified, corresponding recommendations for improvements and corrective action plans agreed and implemented in accordance with the timeline as agreed by Management.

The internal audit review carried out during FYE 2025 did not reveal weaknesses that resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this annual report.

The total fees incurred for the internal audit function of the Group for FYE 2025 amounted to RM60,000.

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

In accordance with the provisions of the Companies Act 2016 (“**CA 2016**”), the applicable Malaysian Financial Reporting Standards and the IFRS Accounting Standards, the Directors are required to prepare financial statements that give a true and fair view of the state of affairs of the Group and the Company as at the end of the financial year, and of the results and cash flows for that year then ended.

The Directors consider that in preparing the Audited Annual Financial Statements:

- the Group and the Company had used appropriate accounting policies which are consistently applied;
- reasonable and prudent judgments and estimates were made; and
- complete disclosures of all information required under CA 2016 and the ACE Market Listing Requirements have been made and followed.

In preparing the Audited Annual Financial Statements, the Directors are responsible for ensuring that the Group and the Company maintain accounting records that disclose with reasonable accuracy the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with CA 2016.

The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and the Company, and to prevent and detect fraud and other irregularities.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board is pleased to present the Statement on Risk Management and Internal Control (“**this Statement**”) for the financial year ended 31 December 2025 (“**FYE 2025**”), which is prepared pursuant to Rule 15.26(b) of the ACE Market Listing Requirements (“**ACE LR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and is guided by the Malaysian Code on Corporate Governance 2021 (“**MCCG 2021**”) as well as the Statement on Risk Management and Internal Control: *Guidelines for Directors of Listed Companies*.

This Statement outlines the scope and nature of risk management and internal control practices of the Company and its subsidiaries (“**PLYTEC Group**” or “**the Group**”) for the FYE 2025 and up to the date of approval of this Statement for inclusion in this annual report.

BOARD’S RESPONSIBILITY

The Board upholds the overall responsibility and commitment for maintaining a sound risk management and internal control system through the establishing of an appropriate governance structure to ensure the effective oversight across the Group at all levels.

In maintaining its commitment towards a sound risk management and effective internal control system, the Board continuously reviews and evaluates the adequacy and effectiveness of the Group’s risk management and internal control system to ensure its effectiveness in facilitating the achievement of the Group’s business objectives. In discharging its stewardship responsibilities, the Board acknowledges its role in setting the appropriate tone at the top and fostering a risk-awareness culture that enables the proactive identification and management of key risks.

Risk management considerations are embedded within key aspects of the Group’s activities and strategic decision-making. The Board has defined the Group’s risk appetite and tolerance levels and has continuously review the risk management framework and practices to ensure risks are managed within these acceptable parameters.

While retaining ultimate accountability, the Board has delegated the oversight of risk management and internal control system to the Audit and Risk Management Committee (“**ARMC**”) to oversee the Group’s activities in managing significant risk areas and ensure the risk management and internal control system remains effective and adequate. Notwithstanding the above, the Board acknowledges that such system has inherent limitations as it is designed to manage risks, rather than to eliminate the risks that may impede the achievement of the Group’s business objectives. Accordingly, such system can only provide reasonable but not absolute assurance against any material misstatement, loss or contingency.

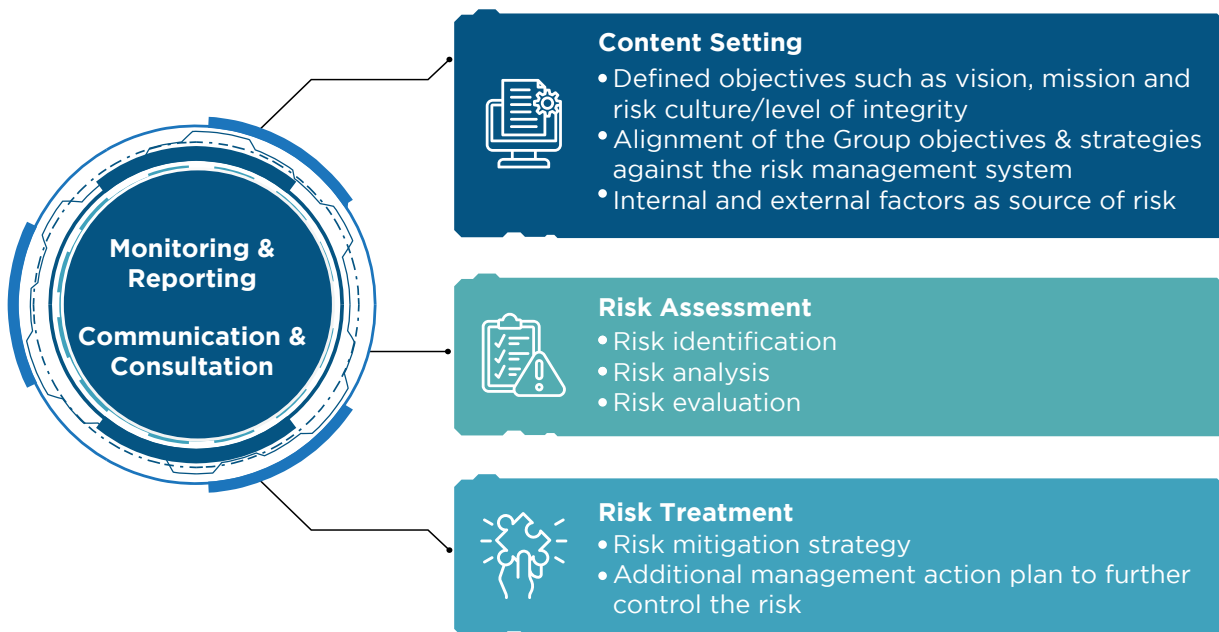
RISK MANAGEMENT SYSTEM

The Board recognises the principal risks associated with the Group’s business and acknowledges that effective decision-making requires an appropriate balance between risk and return towards achieving its business objectives. Whilst the Board maintains ultimate oversight over the Group’s risk management system, the implementation of the risk management practices within the established framework has been delegated to the Management. The responsibility for managing risks at each business division lies with the respective Division Heads and Senior Management. The Group has adopted the Enterprise Risk Management (“**ERM**”) framework that is aligned with the global risk management standard, ISO31000:2018 Risk Management – Principles and Guidelines. The ERM framework outlines the policy and on-going processes for identifying, assessing, managing, monitoring and communicating the key and significant risks faced by the Group.

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

RISK MANAGEMENT SYSTEM (CONT'D)

The ERM processes adopted by the Group is outlined below:



The ERM processes are applied across all businesses divisions and entities within the Group to ensure clear accountability for risk identification, assessment and mitigation at the operational level. In addition, the Group continues to monitor emerging risks, including risks relating to information technology systems, data protection, cybersecurity as well as emerging risks associated with sustainability matters and evolving regulatory expectations, and ensure appropriate safeguards are implemented to protect the integrity and security of the Group's information assets.

Objectives of the Group's ERM framework include:

- Safeguarding the Group's resources, people, finance, property and reputation;
- Ensuring risks and opportunities are managed consistently and aligned with the Group's strategic objectives, vision, mission and corporate values;
- Providing a structured approach to identifying, assessing, mitigating, managing and monitoring risks and opportunities;
- Facilitating informed decision-making within the Group's risk appetite, including the identification and leveraging of opportunities;
- Promoting a risk-aware culture where relevant personnel recognise and assume responsibility for managing risks and opportunities within their scope of work;
- Establishing clear reporting structures to ensure relevant and accurate information is communicated for timely decision-making; and
- Ensuring periodic review of risk management processes and internal controls to maintain their adequacy and effectiveness.

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

RISK MANAGEMENT SYSTEM (CONT'D)

Under the Group's ERM framework, risks are categorised into strategic, operational, financial, and compliance risks and are assessed in relation to their potential impact on the Group's ability to achieve its strategic and operational objectives. Significant risks that may affect the achievement of the Group's strategic objectives are identified after considering the following factors:

- Changes within the industry and countries in which the Group operates in, including the political environment;
- New regulatory requirements and evolving best practices;
- Changes in legal and regulatory requirements;
- Economic conditions and performance levels; and
- Stakeholders' interests and core values.

Identified risks are evaluated and rated in terms of their likelihood of occurrence and potential impact, taking into consideration the effectiveness of existing controls in place to mitigate risks. Significant risks together with the corresponding mitigation plans are subsequently reported to the ARMC on a periodical basis. Through these mechanisms, identified risks are continuously monitored and managed to minimise their potential impact to the Group.

During FYE 2025, an outsourced professional service provider was engaged to facilitate the Group Risk Assessment ("GRA"). Based on the risk assessment conducted, key risks were identified and existing controls and monitoring mechanisms were assessed to be in place to manage the Group's significant risks. Action plans were implemented to further strengthen the Group's risk management framework. The results of GRA were presented to the ARMC and subject to ongoing review and monitoring by the Management and the ARMC.

INTERNAL CONTROL SYSTEM

The Group has implemented an internal control system designed to ensure effective governance, reinforced by appropriate oversight. As the Group's system of internal control is embedded within its operations, the Board believes that regular review of the system is vital towards maintaining a sound and effective internal control system. In addition, the adequacy and effectiveness of internal control procedures are periodically assessed to ensure effective monitoring and control while maintaining operational efficiency.

The Board has entrusted this responsibility to the ARMC albeit the requirement to ensure that the Group upholds a robust internal control system that fosters good corporate governance, promotes operational agility and ensures continuous compliance with applicable laws and regulatory requirements.

Key elements of the Group's system of internal control are as follows:

1. Control Environment

- The Group has established well-defined policies and procedures that all employees are required to adhere to. These policies and procedures are periodically reviewed to ensure its continued relevance and effectiveness in supporting the Group's business activities and operations.
- Proper segregation of duties is implemented through the clear delegation of responsibilities and authority across all entities and departments to mitigate potential conflicts of interest. Organisation charts with well-defined reporting lines, responsibilities, and accountabilities are maintained across the Group.

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

INTERNAL CONTROL SYSTEM (CONT'D)

1. Control Environment (Cont'd)

- Performance reports including financial, non-financial and corporate reports are regularly presented to the Board of Directors and Senior Management for review and deliberation.
- Respective management teams hold regular meetings to discuss, deliberate and address matters related to business development, operations, corporate affairs and other material matters.
- The Group has established Guidelines and Procedures on Related Party Transactions (“**RPTs**”) and Conflict of Interest (“**COI**”) situations (collectively, “**the Guideline**”) to foster continuous awareness and ensure a consistent approach in managing all RPTs, Recurrent Related Party Transactions (“**RRPTs**”) and COI situations. The Guideline mandates the implementation of various processes to ensure RPTs and RRPTs are conducted at arm’s length basis and on normal commercial terms without disadvantaging minority shareholders.
- An employee handbook is in place to provide guidance on the Group’s code of conduct, employment benefits and responsibilities of employees. The Group has also issued a Code of Conduct to all employees, Management and the Board is also required to reinforce its commitment to integrity and ethical commitments. The Code of Conduct is reviewed as and when necessary to maintain its relevance.
- The Group has implemented Anti-bribery and Corruption Policy reflecting its zero-tolerance stance towards any form of bribery and corruption. In addition, the Group has implemented a Whistle-Blowing Policy, providing a secure reporting channel for employee or third party to report any actual or suspected misconduct or malpractice while safeguarding the integrity, identity and rights of the whistleblower.

2. Information and Communication

- Relevant and material information is communicated to the Board, Board Committees and Senior Management through established reporting lines across the Group to ensure transparency and facilitate informed deliberation and decision-making.
- Necessary communication with external parties (i.e. shareholders, auditors and etc.) regarding matters affecting the Group are undertaken by the relevant personnel and departments.

3. Monitoring Activities

- Management conducts periodic meetings to discuss, deliberate, review and decide on matters affecting the Group’s operations, business development and performance including strategic direction and the resolution of business and operational issues.
- The Board Committees and Senior Management conduct regular review of the Group’s performances and operations as part of their ongoing monitoring of the Group’s affairs.

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

ASSURANCE MECHANISMS

1. Internal Audit Function

The Board recognises the importance of the internal audit function and, as part of its commitment to maintaining an adequate and effective internal control system, has outsourced the internal audit function to an independent professional services firm to support the ARMC in performing independent reviews on significant areas and key business processes of the Group.

The Group's internal audit function is outsourced to a professional services firm, Messrs. Resolve IR Sdn. Bhd.. The internal audit engagement is led by Mr. Choo Seng Choon ("**Mr. Choo**") who has diverse professional experience in internal audit, risk management and corporate governance advisory.

He is a Certified Internal Auditor and Chartered Member of the Institute of Internal Auditors with over 25 years of professional experience in multidiscipline including internal audit, risk management, corporate governance, performance and business management, IPOs, taxation, due diligence and corporate finance. Mr. Choo is also a Fellow Chartered Certified Accountant, UK, Chartered Accountant of the Malaysian Institute of Accountants (MIA) and Certified Public Accountant of the Malaysia Institute of Certified Public Accountants (MICPA).

The number of staff deployed for the internal audit reviews ranged from 3 to 4 staff per visit including the engagement of Executive Director. The staff involved in the internal audit reviews possess professional qualification and/or a university degree. Most of them are members of the Institute of Internal Auditors Malaysia. The internal audit staff on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence.

The internal audit was conducted using a risk-based approach and was guided by the International Professional Practice Framework ("**IPPF**").

The scope of work undertaken by the outsourced internal audit function was set out in the internal audit plan that has been reviewed and approved by the ARMC.

Results of the internal audit reviews were reported to the ARMC at its quarterly meeting. Significant internal audit deficiencies together with recommendations for improvement and Management's responses and action plans have been highlighted to the ARMC for their attention and deliberation.

Based on the results of internal audit reviews conducted during FYE 2025, no material internal control issues were identified in the Group's risk management and internal control systems. Notwithstanding this, Management remains committed to continually enhancing the Group's control environment and its risk management and internal control framework.

A detailed description of the internal audit activities undertaken during FYE 2025 can be found in the Audit and Risk Management Committee Report included in this Annual Report on page 97.

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

ASSURANCE MECHANISMS (CONT'D)

2. Assurance from the Key Management Team

Management is responsible for implementing processes to identify, evaluate, monitor and report risks and internal controls as outlined above. For the financial year under review and up to the date of this Statement, the Group Managing Director/Chief Executive Officer and Chief Financial Officer monitor the adequacy and effectiveness of the Group's risk management and internal control systems and provides assurance to the Board that, to the best of their knowledge, these systems are functioning adequately and effectively in all material aspects.

3. Review of the Statements by External Auditor

Pursuant to Rule 15.23 of the ACE LR, the external auditors have reviewed this Statement in accordance with the scope set out in Audit and Assurance Practice Guide 3 (“**AAPG 3**”) - Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants. The external auditors reported to the Board that nothing has come to their attention to cause them to believe that the Statement, in all material respects, has not been prepared in accordance with the disclosures required by Section 7 of the Statement on Risk Management and Internal Control: *Guidelines for Directors of Listed Companies*, nor is it factually inaccurate.

CONCLUSION

The Board is of the view that the Group's system of risk management and internal control is adequate and effective in all material respects for the financial year under review. The Board acknowledges that maintaining an effective system of internal control is an ongoing process that supports the mitigation of risks faced by the Group in pursuing its business objectives. The Board remains committed to continuously reviewing and enhancing the Group's risk management practices and internal control framework in line with Group's evolving business environment and regulatory expectations.

This Statement on Risk Management and Internal Control is made in accordance with the resolution of the Board dated 23 April 2026.